KARL MARX
AND
MODERN SOCIALISM

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MODERN SOCIALISM

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TO MY FATHER

PREFACE

This book is not in any way an anti-collectivist pamphlet; nor does it claim to be either an original or a profound study of Marxism. But the life of Marx is so little known, either by friend or foe, and his teaching so often reduced to a few bald shibboleths, that there may perhaps be room for a sketch of him as he was in relation to the thought and the circumstances of his age, describing at the same time, in rough outline, the development of the labour movements of Europe to whose growth he contributed so much. The writer is one of those who are so genially described in certain quarters as "class-biassed teachers in Universities," but he can plead practical knowledge of W.E.A. Tutorial Classes as, in some sense at least, a corrective to academic prejudice, and he is anyhow old-fashioned enough to doubt whether the writing of history must of necessity be only a class, or mass, interpretation of the past. Marx has certainly had less than justice done him hitherto because class interpretations have made him out as either an impeccable hero or a worthless ruffian: this deluge of praise and blame, in each case so often entirely undiscriminating, has had the effect of turning into an inhuman and almost legendary figure one who was in point of fact a very lovable, very exasperating but essentially real, though often wrong-headed, enthusiast.

Magdalene College, Cambridge,
November, 1920.

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CHAPTER I

KARL MARX: PERSONALITY AND EARLY HISTORY

(1) *Biographical Outline*

KARL MARX was born at Trèves in 1818: he may be summed up, as far as his earliest stage of political activity is concerned, as a Journalist who would have liked to have been a Don; and he was thwarted from realising this ambition not by any innate inferiority of intellect but by the official Prussian attitude towards the religious position even of a christianised Jew and towards advanced views in general. After an elaborate education in both Law and Philosophy at the Universities of Bonn and Berlin, Marx reluctantly came to the conclusion, based on the unfortunate experience of his friend Bruno Bauer, that the Government, always a controlling force in a German University, would never leave him alone were he to become a teacher. To a natural rebel, such as he was, against the existing social and political régime in Germany, the circumstances attending the abandonment of an academic life did not lead to any increase of submissiveness, and in 1842, being even then only 24, he started, in partnership with Bauer, the publication of a radical newspaper. This was quickly suppressed by the Government and Marx in 1843 migrated to Paris, continuing there the economic investigations on which he had already embarked and

which were to be the dominant interest of his life. In 1844 began his life-long friendship with Friedrich Engels, who was destined to collaborate with him in the famous Communist Manifesto of 1848, and to remain throughout his life the partner of his literary labours, political activities and domestic joys and sorrows. Engels was the son of a wealthy Rhineland manufacturer, whose firm owned a cotton mill near Manchester, and thither Friedrich Engels had been sent in 1842. He, like Marx, was a close student of economic problems and conditions: he sympathised warmly with the Chartist movement, then at the height of its second phase, and was a personal friend of many of its leaders. In 1845 he published, in German, a study of the condition of the working classes in England.[1] On returning to England in this same year, after one of his business trips to the Continent, he induced Marx to return with him, and this first visit, short though it was, served to introduce Marx not only to the land which was so soon to become his permanent place of exile, but also to the great body of radical and socialist literature which even then existed, and which he started to read with avidity. But he had four more years of Continental activity before him, during which he sorely tried the patience of the Governments under which he lived. After Paris, Brussels and then again Paris were the scenes of his labours, which included radical journalistic propaganda directed towards Germany, while in 1848 the Communist Manifesto appeared. When Marx finally settled down in London in 1849 he had enjoyed the distinction of being expelled from three European countries, and of having seen three of his journalistic ventures perish untimely. One of these newspapers had the

[1] Translated in 1892 by Wischnewetsky, *The Condition of the Working Classes in England in 1844.*

now familiar title of *Vorwärts*; it was published weekly in Paris, and made a speciality of shewing up the absurdities of the little princes of Germany: another paper, the *Franco-German Year Book*, actually died from lack of support, but if it *had* lasted longer, it would almost without doubt have been suppressed.

Marx therefore entered on his English period as an "International Man" by necessity rather than choice, and he added another Continent to his purview by becoming London correspondent of the *New York Times*. But there was much more in him than disgruntled cosmopolitanism of a negative kind. The following extract from a letter written about this time shews well enough how far his mind had travelled and how clear he was already as to the objects which he had in view:—"Nothing prevents us from combining our criticism[1] with the criticism of politics, from participating in politics, and consequently in real struggles. We will not, then, oppose the world like doctrinaires with a new principle: 'here is truth, kneel down here. We expose new principles to the world out of the principles of the world itself. We don't tell it, 'Give up your struggles; they are rubbish; we will shew you the true war cry.' We explain to it only the real object for which it struggles, and consciousness is a thing it *must* acquire even if it objects to it."

Michael Bakunin, the famous Russian revolutionary and anarchist, gives an interesting account of what he thought of Marx when he met him at Paris in 1843. "We saw each other rather often, for I respected him deeply for his science and for his passionate and serious devotion, although always mingled with personal vanity, to the cause of the proletariat; and I sought with eagerness

[1] *I.e.* of the economic structure of society.

his conversation, which was always instructive and witty, when it was not inspired with mean hatred, which too often, alas, was the case. Never, however, was there frank intimacy between us. He called me a sentimental idealist, and he was right; I called him a vain man, perfidious and artful, and I was right also." [1]

His personal appearance was always impressive. Hyndman's description (though referring to a much later date) is, in essentials, true of him all along, "commanding forehead, great overhanging brow, fierce glittering eyes, broad sensitive nose and mobile mouth, all surrounded by a setting of untrimmed hair and beard." [2]

The remainder of his life (after 1849) can scarcely be separated from his public activities: suffice it here to say that before leaving Germany in 1843 he had married Jenny von Westphalen, the daughter of an old friend of his father, and a man of rank and position; his married life was extraordinarily happy, despite the early death of three children and a constant uphill struggle against poverty: he published the first volume of *Capital* (in German) in 1867: he sustained a terrible blow by the death of his wife in 1881: his eldest daughter died in France in December 1882 when he himself was in the Isle of Wight, whence he returned to London a broken, tottering man, and died on March 14th, 1883. He was buried in Highgate Cemetery, with the most impressive demonstrations of the esteem in which he was held, not only as a great leader and former of Socialist opinion, but as a brave, upright, and kindhearted man.

One final biographical point should be made: in getting a general, preliminary view of what manner of man Marx was, the "ogre" conception must be got rid of once and

[1] Bakunin, *Œuvres*, vol. 11, pp. xi, xii.

[2] Hyndman, *Record of an Adventurous Life*, p. 270.

for all. Marx may, as is claimed for him, have made Governments tremble, but he never made his wife or children tremble. It was the happiest of family circles, and his wife supported cheerfully all the hardships of exile and poverty, rejoicing in his companionship and encouraging him in his endeavours; his children loved him equally dearly. If he was known by his intimates as "Mohr" (negro, because of his coal-black hair and beard), he was "Daddy Marx" to the children in the London streets, with whom he was always ready to play. This impression of Marx as a man is more than confirmed by the poet Heine, who was a great friend of the family during their residence in Paris, and by his skilful nursing once saved the life of one of the children. "Marx," he said, "is the tenderest, gentlest man I have ever known."

(2) *Influence of Heredity and Hegel*

Mr. Podbury (the more companionable of Anstey's "Travelling Companions") was advised that he could not hope to appreciate the "masterly truths of Herbert Spencer" without "*some* preliminary mental discipline," although he soon after turned only a very moderate equipment to uncommonly good use in the discomfiture of the pedantic Mr. Culchard. In the same way it is necessary for an understanding of Marx to acquire a preliminary knowledge of his terminology and method, the circumstances in which he wrote and the forces which moulded him; for, detached and independent observer though he fancied himself to be, he could not help remaining the product of his age and upbringing, and more went to the making of Marx than the normal verbosity of a pedant or the bitterness of an exile.

In the first place, considerable allowance must be made for the influence of heredity and early upbringing; it is only in appearance that Marx was a rebel against his father: the father was a converted Jew, the son was an ardently atheistic materialist: but the father was also a curious blend of Prussian patriot and admirer of the humane scepticism of Voltaire, and when the parting of the ways came in 1870, even the organiser of the International could not forget that he too was a German, an exile but still a patriot. There is no reason to doubt the genuineness and spontaneity of the father's conversion from Judaism; there seems little or no evidence for the view that it was dictated by official pressure; but to teach his son to read and love Voltaire was scarcely the best way to prejudice him in favour of organised Christianity. However, Voltaire was not the only author to whom Marx was introduced by his father, and the poetry of France in general, and Racine in particular, figured largely in his education. In fact it may fairly be said that poetry was his chief early interest: he wrote as well as read, and said of his student days in Berlin: "everything was centred on poetry as if I were bewitched by some unearthly power." At this time, however, it was Romantic rather than Classical Literature which made the strongest appeal to him, and in a sense it was to poetry that he owed his wife and the romanticism of his married life; for the father of Jenny von Westphalen was always glad to see him at his house, and encourage him in his literary tastes: the actual engagement took place just before he left Bonn for Berlin. His early love for poetry never left him, although in later life it narrowed itself down somewhat, and found expression mainly in reading and re-reading Dante: of 19th century writers he liked in particular

Walt Whitman, the Prophet of Democracy, and was especially fond of "Pioneers, O Pioneers." It was no doubt partly because he was conscious of his own leanings to the Romantic in literature that in practical matters he set himself so severely against visionary schemes of social reform: he confined himself strictly to what he considered to be the only scientific method, study of the logically inevitable developments of the actual, material world. To go beyond this and dabble with abstract principles seemed to him a waste of time, and those who did so he branded as "Ideologists" and "Utopians," liable to mislead progressive thought rather than advance it.

The conjunction of Hegel and Marx, the "Idealist" philosopher and the publicist to whom "Ideologies" were anathema, may seem curious; but no discussion of the influences which affected Marx would be complete without explaining how much he owed to Hegel. It is true that he only accepted him with reservations, and said that, to be of any real value, he had to be turned upside down and stood on his head rather than his feet. By which he meant that the fundamental notion of the "Idea" was really only an abstraction, unreal compared with the solid material basis of things from which he himself started. Had he been able to discuss his philosophical disagreements personally, the result would have been interesting and, for Marx, probably most beneficial, but Hegel had died a few years before Marx settled in Berlin, and he was therefore dependent on the philosopher's writings, and on the expositions of his system given by Feuerbach. Even so, however, he was profoundly influenced: it is from Hegelianism, understood both as a system of philosophy and as a method of examining and interpreting experience, that Marx derived the basis of his thought and, above all, his

evolutionary view of history: for this had been Hegel's great contribution, his view of history, as Engels put it, "not as a wild whirl of senseless deeds of violence" but as the record of the unfolding of the "Idea," proceeding by its own inner necessity to a self-recognised goal. To the notion of continuity and development Marx clung tightly but, as we have seen, he did not consider the "Idea" to be the only Reality, but an abstraction with nothing real in it. To him, the motive force was no process of thought but rather the economic environment in which men were placed at any particular moment of the world's history. Here then we have from the beginning the doctrine of historical materialism which is, after all, the chief contribution of Marx to modern thought.

For our purpose it is of almost greater importance to notice the extent to which Marx was influenced by the dialectic (in other words, the style and method) of Hegel: here again the disciple did not follow the master without modifications. Marx claimed that his method was dialectical, but that the dialectic was not that of Hegel, and was even its direct opposite. "For Hegel it is the process of thought which (under the name of Idea) he even converts into an independent subject, the Demiourgos of the actual world, which is only its outward manifestation. For me, on the contrary, ideas are only the material facts turned up and down in the human head."[1] Be this as it may, the way in which Marx approaches his subjects, his manner of argument, and his method of presenting his case are scarcely those which the ordinary man would have adopted. It is true that he laid particular emphasis on the necessity of being absolutely clear, and, as a matter of fact, refused to use his *Critique* as the first part of *Capital* because it was

[1] Postscript to 2nd edition (1872) of *Capital*.

not clear: in his purely descriptive writings he certainly attained to clearness but equally his argumentative passages are, it cannot be denied, often very hard to follow, and resemble the scholastic arguments of Aquinas more than they should. This is the Hegel tradition and Marx himself acknowledged, and to some extent regretted, his inherent tendency to coquette with Hegelian terminology.[1] Philosophy, like Law, is a highly specialised subject, and uses technical terms which to the layman are far more bewildering even than the "marginal utility" or "diminishing returns" of the "vulgar" economist. By borrowing the terminology and method of approach of philosophy, Marx undoubtedly put additional difficulties in the way of the ordinary reader. It is perhaps unfortunate that in economic discussions we are constantly using words like "Labour" and "Value" which, however every-day they may be, can yet be used in many different ways. When these rather ambiguous terms (ambiguous from their very simplicity) are used by a writer who anyhow has a dialectical method of his own and a standpoint which is certainly not that of "the man in the street," it is not surprising that confusion and misunderstanding follow.

(3) *Reason and Prejudice*

To say that Marx was an irrational thinker may appear stupid, but there is an element of truth in it worth looking at. That a politician does not always think rationally is evident enough: he has a stock-in-trade of ideas which are entirely impervious to logic, and which are the despair of his political opponent. "To the Conservative, the

[1] On the other hand Marx, while recognising that these methods of thought were often unknown even to University-trained Germans, considered such ignorance lamentable. Thus his friend Kugelmann was severely handled in a letter for having misunderstood the Marxian argument owing to his lack of acquaintance with Hegelian dialectic.

amazing thing about the Liberal is his incapacity to see reason and accept the only possible solution of public problems," [1] and vice-versa. But this irrationality is not the peculiar possession of the imbecile or the politician: it is an universally present ingredient in human nature. Very few of our ideas are the result of real logical thinking: we have all of us got some species of "complex" (as the psychologists call it) which causes us to take up towards any given problem an attitude only in part determined by our genuine thinking and reasoning.[2] Our standpoint is already chosen (though very likely quite unconsciously) and we normally give full weight in our minds to those ideas or arguments alone which confirm and reinforce the attitude of mind with which we start: how that particular "complex" came into existence which has thus given us our controlling mode of thought is generally unknown to us, but it certainly is not a result of chance. Every thought or fancy which at some earlier time has crossed our mind (if only for a minute) has contributed towards it, as have, more powerfully, the various instincts and impulses which, from earliest childhood, have been clamouring for realisation, and whether admitted or denied have influenced our whole subsequent lives. Marx, it must be confessed, was an irrational thinker inasmuch as he never sought to analyse (how could he even be aware of its existence in those days ?) the political and economic "complex" which pushed him into his niche of dogmatism and never allowed him to see any other side than his own, not even the position of those who in most points were in agreement with him.

[1] Trotter, "Herd Instinct," *Sociological Review*, 1908.

[2] Thus, for instance, Bernard Hart (*Psychology of Insanity*). But Dr. W. H. R. Rivers (*Instinct and the Unconscious*, pp. 85-9) would confine the term "complex" to *suppressed* experiences, and their influence on thought and conduct.

Some people make full allowance for this tendency towards irrationality:[1] they are always on the look-out for it, and set themselves to check it by refusing to consider a question at all until they are convinced that they have stripped their minds, as well as they can, of these prejudices and prepossessions. Thus and thus only, they think, will they arrive at an opinion based on reason. Others follow up impetuously the first line of thought which suggests itself to them, and the more acute they are in analysis and reasoning power, the less conscious are they likely to be that their ultimate result is largely vitiated in advance by their failure to establish a starting point based on reason rather than prejudice. Thus a man may start with a fixed conviction that he is Charles I.: he may also find it possible to explain to his own satisfaction, and with the utmost ingenuity of reasoning, how he comes to be alive, and indeed driving a London taxi in 1920; but this latter fact can be explained with less subtlety and more correctness by one who ventures to question the to him unquestionable assumption from which he starts, and to declare that he has never been anything else but a Twentieth Century Londoner. This is of course an extreme case of irrationality caused by a delusion. The fact, however, remains that Marx belonged to the unreflecting type rather than to the type of man who is profoundly conscious of, and on the watch against, his innate tendency to irrationality. Reasoning acutely and honestly Marx never questioned his first principles. He made no allowance for the influence of heredity and

[1] In its result this may well be called irrationality, but it must be remembered that strictly speaking the irrationality is only apparent because, if we can dig down deep enough into a man's hidden past, we can discover the reason why he comes to have these prepossessions.

upbringing, and everything else which went to produce the extremely powerful bias with which he started. A natural rebel might well do worse than wonder why rebelliousness is not equally implanted in all men's breasts, and perhaps recognise that if there is a lack of imagination in the conservative temperament, there may also be the same lack of imagination with him. Patience Marx certainly had: it came out clearly in his laborious and painstaking teaching of working folk during his Brussels period; but it was not allowed to enter frequently into the holy of holies where lived his inmost thoughts. The contempt which he showered so lavishly on most of his contemporaries came from complete failure to understand or make any allowances for any standpoint other than his own: a patient examination of his own first principles would very likely only have confirmed him in them for himself; but it might have helped him to appreciate more sympathetically the quite different assumptions from which others started to think. In this, at any rate, Marx cannot be allowed to stand side by side with Darwin; scientific his thought (and his Socialism) may be, granted its original premises, but there was a real weakness in the narrowness of outlook, and, like Carlyle, Marx belongs to the Prophet tribe rather than to the Scientists: he delivered oracles, he did not examine evidence. This may appear a ridiculous criticism in view of his most careful and painstaking analysis of the capitalist system of production, but this is apt to disguise from us the fact that the reasoning faculties are only allowed to begin at a certain point. A careful description may be given by the mathematician of the nature of numerical relations, and an elaborate body of doctrine may be built up in a most patient way; but if everything rests on an unquestioned assumption that two

and two make five, all the subsequent conclusions arrived at must be purely hypothetical. They may or may not be true, but their truth or otherwise will depend on the validity of this original assumption, and if this assumption cannot, as may well be, be either proved or disproved, the final conclusions must *not* be considered to be final truth: they will be valuable as speculations, but speculations they will remain. But in mathematical or euclidean demonstrations, all other possible hypotheses are taken into consideration. Marx did not do this.

Four things then should be borne in mind in considering everything that Marx wrote :—

1. That though he is not a purely abstract thinker, seeing things only through books, yet he started with certain quite definite assumptions, and with a determination to bring everything into neat and simple categories; and he interpreted the ordinary facts of experience in accordance with these restrictions.
2. That he is, after all, the product of his age and was largely influenced by the special circumstances of the time in which he wrote and the education which he had received.
3. That the special nature of this education caused him to adopt a method of argument and use of terminology different from what would be selected, say, by a present day tutor of a Tutorial Class, and
4. That this peculiar method and terminology not only produce obscurity and difficulty, but even in some cases allow errors and omissions to creep in which a different method of terminology (though probably introducing difficulties of its own) might have succeeded in avoiding.

CHAPTER II

THE COMMUNIST MANIFESTO

(1) *The Manifesto*

February 23rd, 1848 is a noteworthy date: it was the first day of the Paris Revolution which overthrew the bourgeois Monarchy of Louis Philippe, and it was also the day on which the first published copies of the famous *Communist Manifesto* appeared, the joint work of Marx and Engels. Marx was of course already a well-known writer, and Engels, as we have seen, had produced his masterly description and analysis of the condition of the working classes in England. Nor was this their first joint enterprise, for as early as 1845 they had united (in a book called *The Holy Family*) to attack Bruno Bauer and others of their erst-while friends, on the grounds of their continued adhesion to Hegelian "idealism" after its denunciation by Marx. But the publication of the *Manifesto* clearly marks a landmark both in the development of Marxian ideas and in the history of the Labour movement, to whose ranks it was addressed. It is true that in it there is not a word about the "Surplus Value" doctrine, but it has been by now abundantly demonstrated (as will appear later) that that is in no way the corner-stone of the Marxian system, and with this exception practically the whole

of Marx, as a theorist, may be found in the *Manifesto*. It was called "Communist" rather than "Socialist" because the latter word was the one usually applied to the schemes of the "Utopians." Therefore, to prevent misunderstandings, the *Manifesto* was "Communist," the adjective often given to working Men's Associations or other severely practical organisations. Besides its general rallying call to the proletarians of all countries to unite, the *Manifesto* contains three main features :

1. an indictment of former socialist literature on the grounds of being "Utopian";
2. as a corrective to such faulty method, an exposition of "Scientific" Socialism, based essentially on the materialistic conception of history ;
3. a set of definite proposals.

It will be convenient to examine first these concrete suggestions, which are reproduced from the authorised English translation (1888) of the third edition (1883).

"For the most advanced countries the following measures might come into very general application :

1. Expropriation of landed property, and application of Rent to State expenditure
2. Heavy progressive taxation.
3. Abolition of inheritance.
4. Confiscation of the property of all emigrants and rebels.
5. Centralisation of credit in the hands of the State by means of a National Bank with State capital and exclusive monopoly.
6. Centralisation of means of transport in the hands of the State.[1]
7. Increase of national factories, instruments of

[1] With which may, perhaps, be compared the clearing-house scheme recently brought forward by Mr. A. W. Gattie.

production, and reclamation and improvement of land according to a common plan.

8. Compulsory obligation of labour upon all; establishment of industrial armies, especially for Agriculture.
9. Joint prosecution of Agriculture and Manufacture, aiming at the gradual removal of the distinction of town and country.
10. Public and gratuitous education for all children; abolition of children's labour in factories in its present form; union of education with material production."

These proposals, which were meant to be severely practical, were, it should be noted, in no way original. Almost all of them were borrowed from the English Socialist writers of the preceding half-century, the very folk who were incurring censure from Marx and Engels as "Utopian" visionaries.[1]

From these proposals neither Marx nor Engels ever receded: in fact, as was only to be expected, they later on went a stage further by insisting on the expropriation, for the benefit of the State, not only of landed property, but of the whole of the means of production. But this was no longer thought of as a measure which "might come into very general application": it had become the inevitable sequence to the Social Revolution, which was to arise from "bourgeois" civilisation destroying itself and to culminate in the "expropriation of the expropriators."

(2) "*Scientific*" *Socialism*

This brings us on to other features of the Manifesto,—the attack on "Utopianism" and the defence, by contrast, of

[1] Especially Dr. Charles Hall, William Thompson, and J. F. Bray, of whom more will be said later.

"Scientific" socialism. And here Marx should be allowed to speak for himself, explaining, incidentally, how the Manifesto came into existence. "In Brussels, where I was exiled by Guizot" (*i.e.*, after the first period of residence in Paris) "I organised, together with Engels, W. Wolff and others, a German Working Men's Education Society, which still exists. We published at the same time a series of printed and lithographed pamphlets, in which we criticised mercilessly that mixture of French and English Socialism or Communism with German philosophy which then formed the doctrine of the League." (This refers to the Communist League, a Marxist outgrowth of the earlier "International Alliance.") "Instead of that, we postulated Scientific insight into the economic structure of civil society, as the only defensible theoretic basis of Socialism. We also explained, in a popular form, that it is not a question of putting through some Utopian system, but of taking a conscious part in the process of Social transformation, which is going on before our very eyes. . . . In the Manifesto written for working men, I discarded all systems and put in their stead a critical insight into the conditions, progress and general results of the actual social movement." [1]

Who then were the "Utopians" who were being so mercilessly criticised? Not only, clearly, the ordinary English Socialist writers of the preceding half-century (Hall Thompson, Bray, etc.) for although they might be classified as in some ways "idealists" yet their theories were quite untouched by any admixture of German philosophy, and it was to this that Marx and Engels were chiefly objecting. It was rather the French writers, Fourier, St. Simon and more especially Proudhon. But

[1] *Herr Vogt* (London, 1860).

the then state of German philosophy, and more particularly the social implications which could be drawn from it, was evidently weighing on Marx's mind at the time. "When he (Engels) settled in Brussels in the spring of 1845, we determined to work out together the contradiction between our view and the abstract results of German philosophy; in fact, to close our accounts with our philosophical consciences. The plan was carried out in the shape of a critique of philosophy after Hegel. The manuscript, two thick octavo volumes, had been some time at its publishers in Westphalia, when we were informed that altered circumstances would not allow of its being printed. We were the more willing to abandon the manuscript to the gnawing criticism of the mice, inasmuch as we had attained our chief object, a clear comprehension of our own ideas."[1] Earlier in this same Preface Marx had said that during his editorship of the *Rhine Gazette* (1842-3) "an echo of French Socialism and Communism, slightly coloured by philosophy, began to make itself heard. This kind of patchwork I openly opposed." There is no suggestion here, and indeed there could not be any, of English Socialist writers being influenced by German philosophers. It would appear then that "English" was added to "mixture of French (and English) Socialism and Communism with German philosophy" to conceal, under this veil of criticism, his great, and for the most part unacknowledged, debt to the English Socialist writers. The mischief being done by German philosophy was, apparently, its insistence upon the "Absolute" and the "Idea" (already objected to in Hegel by Marx), which gave natural support to an "idealistic," as against a materialistic interpretation of the facts of every-day experience, and misled social

[1] Preface to *Critique*.

reformers into constructing ideal societies instead of studying the logical and inevitable developments of Society as it existed then and there. The mischief being done by French Communism lay, for Marx, in its attracting attention to such eccentric proposals as the "phalansteries" of Fourier, the theocracy of St. Simon and the "Gratuitous Credit" of Proudhon.[1] It can scarcely be doubted that the pronounced anti-French bias which Marx shewed all through his life came in here, impelling him to forget, in his not unjustified strictures on their wild schemes, the great ability and vigour shewn by both Fourier and Proudhon in their criticisms of the existing social system, and the fact that so far back as 1802, St. Simon, in his Geneva Letters, had expounded the French Revolution in terms of the Class War. It is worth noticing also that such labour enactments as the French Provisional Government of 1848 (after the Revolution) introduced into the Labour Code were considered suggestions, brought forward some time before by Fourier, Proudhon and the St. Simonian School—for example, the three million francs voted for the support of labour associations (associations ouvrières) by the Constituent Assembly, July 5 1848. To this extent the "Utopianism" of the French reformers may be considered to have justified itself. Furthermore, as has been said, these writers had already given for France careful, accurate and masterly descriptions of actual labour conditions, of the same sort as Engels had done for England. So that the Manifesto's "critical insight into the conditions, progress and general results of the actual social movement," though extremely valuable and

[1] These schemes were none of them really particularly eccentric; they were definite, though perhaps impracticable, suggestions for realising the new social order.

well-portrayed, was scarcely original in its conception. But the really new factor introduced by Marx and Engels was the interpretation of existing economic phenomena by the materialist view of history.

(3) *The Materialist Conception of History*

What Marx meant at this stage by the materialist conception of History can best be summarised in his own words (once more quoting from the Preface to the first edition of the *Critique*):

"My researches" (in revision of Hegel's Jurisprudence) "led to the result that economic conditions, like forms of Government, cannot be explained as isolated facts, nor even as the outcome of what we call the general development of the human mind: but that they are deeply rooted in the material conditions of life, which Hegel, following the example of French and English eighteenth century writers, summed up in the term bourgeois society. Of this bourgeois society, the anatomy must be sought in political economy. Expelled from France by Mr. Guizot, I continued in Brussels the economic researches begun in Paris. I will briefly formulate here the general results to which they led me, and which became the guiding thread of my studies. Through the organised industry of their social life, men became involved in certain necessary, involuntary relations—industrial relations—which correspond to a given stage of development of their powers of material production. The aggregate of these industrial relations forms the economic fabric of Society, the concrete basis on which a political and legal super-structure is raised, and to which correspond given forms of social consciousness. The system of industrial production

determines the whole social, political and intellectual process of life. . . .

"A social formation is never submerged until all the powers of production for which it is sufficiently advanced are developed; and a new and better industrial system never replaces the old until the material conditions necessary for its existence have been evolved by the old Society itself."

Marx, as we have seen, did not claim this as an entirely new discovery: it was an altered, much altered, version of various earlier points of view. Bodin, in the sixteenth century, had talked of the effects on natural character of climate, diet and the like, and the eighteenth century had seen not a few materialist writers asserting that men are only the product of their environment: Hegel, with his continuous evolution of the "Idea," had given a philosophical stiffening to this form of doctrine. But where Marx found it necessary to make modifications was:

(*a*) that the environment of which eighteenth century authors wrote was too unspecialised: they were materialists right enough, as he was, but the purely economic side of environment was not sufficiently elevated by them into the dominant and determining element;

(*b*) that for Hegel, and even to some extent Feuerbach, "ideology" was ever present, marring fatally their evolutionary ideas, as Marx thought. He therefore determined to exclude the "idealism" and alter their theories so fundamentally as to make them materialistic, while preserving the precious evolutionary conceptions.

By this time, too, the doctrine of the Class War had been already formulated with some degree of definiteness. This conception was, of course, a natural development

from the materialistic interpretation of history. At the very beginning of the Communist Manifesto comes the statement that "the history of all society hitherto is the history of class struggles." The exploitation of one class by another has existed from the earliest days, and has been present also in more complex periods, such as those of ancient Rome or the Middle Ages, where there have been many gradations of Society. "Our epoch," says Marx, "the epoch of the bourgeoisie, possesses however this distinctive feature; it has simplified the class antagonisms. Society as a whole is more and more splitting up into great hostile camps, into two great classes directly facing each other: bourgeoisie and proletariat." The feudal period is over: the capitalist has replaced the land-owning baron of the Middle Ages; but class anatagonisms have not disappeared, in fact they are bitterer than ever before.

The two great hostile camps" of bourgeoisie and proletariat require a little explanation. The proletariat are the wage-earners, the class that must live by selling its labour. The remainder of the community are the bourgeoisie. Salaried brain workers are classed as bourgeoisie partly because their expert knowledge has been obtained through an expensive education inaccessible to the wage-earner, and partly because their fortunes are considered to be entirely bound up with the existence of a capitalistic society. But of course, wider views are today taken of the value of brain-labour and of its necessity as an adjunct to manual-labour even in a proletarian community. The nineteenth century is spoken of as the epoch of the bourgeoisie because of the predominance of industrial and commercial capitalism. The proletariat of course, were then, as always, a majority of the population, while there existed also many landowners and aristocratic

survivors of the earlier "feudal" régime. But after a short period of antagonism, these latter realised that their interests were really identical with "bourgeois" capitalism, and so the whole social order can be divided, as Marx puts it, into the two great hostile camps. The period is that of the bourgeoisie, because it is in their hands that all the power is concentrated, and it is their standards of art, comfort, morality and so forth which make up the civilisation of the time.

These then, are the general uses of the words bourgeois and proletarian, but the question is complicated because in practice the lowest stratum of the bourgeoisie (*i.e.* shopkeepers, superior clerks, etc.) is often called bourgeois *alone* as against landowners, big capitalists and professional classes on the one hand, and the wage-earning classes on the other. And on the Continent the bourgeois (in this limited sense of the word) are an object of particular aversion to the wage-earners, who consider them selfish and cruel and entirely devoid of public spirit. In England we also use the word in this limited sense, but generally with a snobbish implication of disparagement from the classes above, while between the petty bourgeois and the wage-earners there is a much less clearly-marked line of division and the feeling of hostility, if it exists at all, exists only as a sentiment borrowed by the most narrowly orthodox socialists from their Continental brethren, without any genuine basis of its own. Furthermore, the word proletariat is also used in two different senses. Sometimes it refers only to the class-conscious members of the wage-earning class, the remainder being scornfully left out (being, as Marx put it, lumpen-proletariat or ragamuffin-proletariat): in this case it really refers only to a minority, mainly consisting of skilled workmen. Sometimes, on

the other hand, the skilled aristocracy of labour is specifically excluded, and the unskilled workers alone are the true proletarians. But on the whole proletariat may be taken to mean wage-earners in the bulk.

The bitter feeling of the foreign proletarian towards the bourgeois is always very marked. Even Engels and Marx were attacked as "Intellectuals" by the German Working-men's Education Society in London, anticipating the more serious objections made against them, on the same score, in the early days of the International. But obviously they were far too valuable to the Labour movement to be excluded, and a justification for their inclusion was readily forthcoming. "Just as, therefore, at an earlier period a section of the nobility went over to the bourgeoisie, so now a portion of the bourgeoisie goes over to the proletariat, and, in particular, a portion of the bourgeois 'ideologists' who have raised themselves to the level of comprehending theoretically the historical movements as a whole." Their sympathy with the aims of Labour was presumably assumed by the fact that they *had been* "ideologists": but of course, according to Marx, this "ideology" had to disappear, and in fact was bound to disappear, as soon as "historical movements as a whole" were "theoretically comprehended": in other words, close study convinced such folk that the ultimate triumph of labour was a logical development of history, and a surer guide than any capricious, and probably unrealisable, ideals of social reconstruction. The inevitable supremacy of the proletariat, as an assured, irrefutable fact, proved by the history of the past, was the keynote of Marxian orthodoxy, and this, as a matter of fact, it remained. Marxian economics are only a "rationalised" explanation of the Marxian interpretation of history.

CHAPTER III

1848

(1) *The Revolutionary Movement in Europe*

By 1848, then, we have the pure milk of Marx given to the world practically in its entirety. The keen insight into existing social conditions, the indictment of "ideologies" and "utopias," the materialistic conception of history, foreshadowing the gradual overthrow of capitalism by changes to be wrought "in the very womb of capitalism itself," the consequent overthrow of a "bourgeois" by a "proletarian" society, all these had been expounded: the specialised economic doctrine of Surplus Value was alone missing. But even at this stage Marxism was not a doctrine of patient hand-folding and resignation until such time as capitalism had destroyed itself. The proletariat must co-operate in hastening the inevitable day of the Social Revolution, and the first concrete and practical step towards this ultimate goal (as contrasted with immediately obtainable "reformist" measures) was the awakening of class-consciousness, and the realisation by the proletariat of international solidarity. If mankind is led by phrases rather than arguments, the serious and operative part of the Manifesto lay in its concluding sentences, with their strong emotional appeal—"You have

nothing to lose but your chains: you have a world to win. Proletarians of all lands, unite."

This call for international union may seem strange in 1848, the year of "nationalist" uprisings, and it is worth examining what kind of Europe it was to which Marx was addressing his appeal. It was, of course, Europe as "remade" by the Congress of Vienna after the downfall of Napoleon, and but slightly modified by the risings, mostly abortive, of 1830. It was a Europe therefore in which the claims of nationality were in practice very often ignored, and thus though there was a great deal of strong nationalist sentiment, of international sentiment there was little or none; it must be borne in mind, too, that such democratic forces as existed were all being enlisted in the cause of nationalism. Neither Germany nor Italy at this time were more than "geographical expressions," split up among a great many rulers. In the case of Italy, most of the North was actually under the domination of a foreign Power. In Germany, Prussia, although important, was by no means as supreme as it became after 1866, when Austria was definitely excluded from any participation in German affairs. But already Austria had complications of its own with its subject nationalities. In France, there was no principle of nationality at stake, but the "bourgeois" government of Louis Philippe had made itself thoroughly unpopular owing to its stolid resistance to either political or economic reform. Everywhere, then, liberal ideas were struggling to find expression, and found it in the revolts which, during 1848, broke out in one country after another. In January, an insurrection in Naples and Sicily compelled the King of Naples to grant a measure of constitutional government. In France, the Monarchy of Louis Philippe was overthrown in February, and replaced

by a Republican government in which Labour was, at first, prominently represented. In Germany the revolts had a double object, to obtain political reforms within the separate States, and to bring about some real amount of national unity: street-fighting in Berlin compelled even the King of Prussia to make concessions; a National Assembly for an united Germany met at Frankfort in May, supported by the prayers and good wishes of all patriotic citizens. But Austria was the pivot on which all else turned: in Italy, the subject provinces of Venice and Lombardy revolted against her in March and were supported by Tuscany and Piedmont, whose rulers had just conceded constitutional Government to their domains: even the Pope, Pius IX., found himself swept away by the current of enthusiasm, granted a constitution to Rome and the Papal States, and declared war on Austria at the end of April. These great movements in Italy could never have taken place had there not been a fair likelihood of their being successful owing to Austria's internal difficulties. At Vienna itself an insurrection in March had led to the fall of Metternich, the old obscurantist Minister who had, at the Congress of Vienna, done so much to saddle the governments of Europe with autocracies. Austria now, like the other countries, got a Constitution; at the same time the subject nationalities of the Empire revolted, led by the famous Magyar patriot Kossuth. And yet the year, which began thus promisingly for liberal ideas, ended in bitter disillusionment. Austria defeated Piedmont in the field, and recovered Milan and the rest of Lombardy. Kossuth was not prepared to recognise any other nationality than the Magyar; Serbs, Croatians and Vlacks[1] therefore resisted him by force of arms, and

[1] Vlacks are Roumanian inhabitants of Transylvania.

this division of the anti-Austrian forces gave the reactionary government of Vienna its opportunity. The armed intervention of Russia, previously refused, was now invoked,[1] and by the summer of 1849, the Hungarian Revolution was finally crushed. Peace (and reaction) within Austria itself had been secured some few months previously, the most important result of the revolt (other than the disappearance of Metternich) being the abdication of the Emperor Ferdinand in favour of his nephew, the then youthful Francis Joseph, who ruled Austria-Hungary until his death, at a great age, in 1916.

In Piedmont, too, an abdication had taken place. The King, Charles Albert, having ventured to risk another war with Austria, had been quickly and crushingly defeated, and had surrendered his throne to his son, Victor Emmanuel, who was destined to be after many years of patient work the first King of an united Italy ; and in Piedmont, at any rate, the Constitutional reforms granted in 1848 were never withdrawn. Elsewhere, however, reaction seemed to triumph as thoroughly as it had done in Vienna. In Germany the Frankfort Parliament collapsed, and with it all the schemes for real national unity. In its place, the unsatisfactory Federal Diet was re-established, with Austria at its head. In France, the Labour element in the newly established Republic at first carried all before it, and Louis Blanc was able to procure the establishment of " national workshops," *i.e.*, co-operative associations for production, assisted by State subsidies. But the Republican elements, who had

[1] " The support which on this, as on many previous occasions, Russia has afforded to the cause of order in Europe," as an article in *Blackwood's Magazine* puts it (January, 1850). The same article tells us that " the noble Austrian leaders, (Windischgrätz, Radetsky and Jellachich) stood forth as the saviours of the Monarchy, and with it, of the cause of European freedom " !

united to overthrow the Monarchy, were unable to agree on a common labour policy, and the non-Socialists first discredited the "workshops" by administering them in a way very different from what had been originally intended, and then suppressed them altogether, Louis Blanc himself having in the meantime been obliged to flee the country owing to his (reluctant) complicity in an insurrection of the extremists: after some months of disturbance, a moderately liberal (but anti-Socialist) Republic was established, of which Louis Napoleon (nephew of the great Buonaparte) was elected the first President: his régime was from the first a thinly veiled Monarchy, and four years later he became Emperor as a result of the national plébiscite of 1852.

The movements of 1848 ended therefore in disappointment and reaction: but two heroic episodes remain to be noted—the gallant defence whereby Venice prolonged its resistance to Austria until July 1849, and the shorter-lived but even more glorious defence of the Roman Republic in the same year. Pius IX. had fled to Naples from Rome, where a Republic had been established; volunteers flocked in from all parts of Italy, and not a few members of other nationalities, Englishmen, Dutchmen and the like, were fired by the prevailing enthusiasm to throw in their lot with the Republicans. There was no chance of ultimate success, but there was a grand opportunity of shewing to Italy and Europe generally that some fine spirits at least did not despair of Liberty. Said Mazzini (one of the Triumvirs of the Republic) "we must act like men who have the enemy at their gates, and at the same time like men working for eternity." The story of how he and the other heroes of the siege made good these words has been told once and for all by Trevelyan;[1] but the conclusion

[1] G. M. Trevelyan, *Garibaldi and the Defence of the Roman Republic.*

of the matter is that the Pope was restored by the troops of "liberal" France (and did not lose his temporal power until 1870) while Mazzini and Garibaldi went once more into exile until a happier day should dawn for Italy.

With the fall of the Roman Republic and the capitulation of Venice, the triumph of reaction was complete, especially in Italy, where Austria (in the North), the Papal States and Naples vied with each other in a rivalry of obscurantism and oppression. Mr. Gladstone's indignant denunciation of the Neapolitan Monarchy is well-known, "the negation of God erected into a system of government"; while of Rome Farini (no friend to the Republicans) wrote "there is neither public nor private safety: no moral authority . . . not a breath of liberty, not a hope of tranquil life . . . atrocious revenge, universal discontent; such is the Papal Government at the present day."

This account of the events of 1848 and 1849 is of course very brief and inadequate, but it will perhaps serve to explain why the movement, so promising in its beginning, failed so grievously and in so short a time: there were many liberal ideas in it, and many of the actors were generous spirits fired with noble ideals, but it was essentially a movement of nationalism, and nationalism is not always a friend of liberty; nor does a nation striving to be free always grant to others the independence it is claiming for itself: an ardent worshipper of nationalism in its truest, sanest form, such as was Mazzini, could but observe with sorrow the intolerant contempt shewn by Germans for Czechs, and by Magyars for Slavs. If even nationalism was so intolerant, still less likely was it that an appeal for international action would be received with enthusiasm. Mazzini was far removed from the position of Marx, but his Address to the Council of the People's International

League (1847) may well be set by the side of the Communist Manifesto. Yet the differences are as marked as the resemblances, and the contrast of 1864 is already clear.[1] Marx and Engels are thinking the whole time of the economic structure of society; for this, Mazzini has only vague phrases, calculated in a way to darken counsel rather than to bring light, but then his interest in internationalism comes only inasmuch as it is a way of obtaining the proper universal recognition of the claims of nationality, the latter, however, to be sane, and free from all chauvinistic taint. This difference was very natural. Germany was not a united nation, but neither was it tyrannised over by a foreign power: consequently the oppression of capitalism was what struck Marx, while Mazzini saw primarily the oppression of the whitecoat armies of Austria sprawling like an ugly growth over the fairest provinces of his native land. That Italian Capitalism should oppress Italian Labour was indeed a regrettable fact—to be regretted always, and to be remedied as soon as possible: but first there must be a united Italy, free and independent.

(2) *Marx and* 1848

The actual events of 1848 were naturally watched by Marx with the very keenest interest. As soon as the revolutionary outbreaks started, he moved into Germany. That he was not universally popular even among the advanced sections of his own nation is shewn by the extremely unattractive picture of him, as he appeared at a Conference in Cologne that year, drawn by Schürz in his Reminiscences.

"I have never seen a man whose bearing was so

[1] The opposing attitudes of Marx and Mazzini at the time of the formation of the International.

provoking and intolerable. To no opinion which differed from his own did he accord the honour of even a condescending consideration: everyone who contradicted him he treated with sublime contempt: every argument that he did not like he answered either with biting scorn at the unfathomable ignorance that had prompted it, or with opprobrious aspersions upon the motives of him who advanced it." An unfair portrait, no doubt, but not without a great element of truth in it; Marx retained to the end a little group of affectionate disciples but they purchased their position by never venturing to differ from their master. His intolerance of opposition became more and more marked, especially in its least attractive form of ascribing the worst motives to his opponents: this was very noticeable in his relations with both Mazzini and Bakunin, and contributed largely to the breakdown of the "International."

The failures of 1848 brought disaster, ruin, imprisonment or death to many. To Marx they meant merely a hurried departure from the Rhineland to the secure retirement of the British Museum. That he had only watched while others had striven and risked all (and Engels himself had fought as a volunteer) was somewhat unfairly made an accusation against him by those who, like Vogt, von Willich and Kontral, had suffered castigation at his hands for advancing opinions with which he did not agree.

It was at this time, and largely in consequence of the revolutionary reverses, that he developed prominently his opposition either to a policy of conspiratorial revolution, or to schemes of redressing the balance of the old world by migration to the new. Mazzini was, of course, the foremost champion of the conspiracy–and–plot programme, but Marx and Bakunin had already quarrelled over this point in Germany in 1848. It was also taken up eagerly

by others who, like Weitling "the Communist tailor," were in greater sympathy with the general position of Marx. Weitling, in fact, had been warmly praised by Marx for writing (in *The World as it is and as it might be*) directly for the working-classes, and for them alone. He was rebuked, on the other hand, for not having got altogether rid of the poison of "Utopianism," and still more when this failing led him to look with favour on Mazzini and his ideas of secret conspiracies. This same "triumph over Romanticism," as Marx considered his own policy to be, led him also to oppose strenuously all schemes of socialist emigration, such as those put forward with so much plausibility and earnestness by Cabet. "Brethren," replies Marx, "let us stay here in old Europe. Let us act and fight in the trenches at home, for it is here that the materials for the establishment of Communism of property are at hand, and where it will first be established." He was justified inasmuch as Cabet's schemes all broke down, and in fact had in them grounds of weakness which would have doomed them to failure even if the full support of the Marxist party had been accorded them.[1] On the other hand, the fulfilment of Marx's own prophecies has been delayed also.

Such then was Marx's position in 1848, and such it remained, practically without alteration, to the end. His was not one of the minds that change a great deal in middle life. Usually these alterations, when they take place, are the accompaniments of external changes

[1] As a matter of fact, Icarie, as Cabet's settlement in America was called, broke down primarily through shortage of colonists; a great number, who had promised to come with him, decided at the last moment to "stay in old Europe" and join in the revolution which broke out just then in Paris. It was bad luck for Cabet that this revolution came just when it did.

and experiences, fresh forms of work, and the like, but in the every-day life of Marx there was no such alteration. He continued to live in London, haunting the Reading Room of the British Museum, smoking cigars everywhere and at all times save only in its sacred recesses (it would be interesting to know whether he ever set on foot any scheme for smoking there !) [1] and continuing all through his bitter fight with poverty. His only resources were the somewhat precarious earnings of Journalism, except for small legacies from his mother and his wife's mother; these, though they only helped to alleviate very temporarily the extreme pressure of domestic poverty, have yet been made, by the Editor of the Edinburgh Review,[2] occasion for a scarcely veiled and scarcely decent sneer at the apparent inconsistency of the theory and practice of Socialism.

(3) *Chartism*

England had not been untouched by the Revolutionary Movements of 1848. The Government in London had one very anxious day, but the fiasco which attended the presentation of the Chartist Petition on April 10th was in striking contrast with the bitter street-fightings of Paris, Vienna and Berlin. As a matter of fact, the force of the English revolutionary movement was dissipated by being spread out through the preceding decade, and the year 1839 witnessed practically all the violence there was, the prospects of a large-scale revolt getting less and less with each

[1] And to speculate whether, supposing him to have succeeded, the atmosphere in the Reading Room would be more or less pestilential than it now actually is.

[2] July number, 1919.

succeeding year. Although, therefore, the Chartist movement was to all intents and purposes dead before Marx took up his abode in London, its history is worth looking at in a brief summary, so that the contrast may be clearly seen between the Continent from which he had fled and the England in which he found a refuge.[1]

"The most important event in the English History" says Mr. Chesterton, "was the event that never happened at all—the English Revolution on the lines of the French Revolution." He goes on to point out that the first thirty years of the nineteenth century produced in England an outcrop of revolutionary writing far more violent than any that was produced amid the welter of bloodshed in France; but that in England the fierce words never clothed themselves in deeds. This is largely true, and the writers worthy of note are not only those to whom Mr. Chesterton specially refers (Byron, Shelley and Cobbett), but the whole English Socialist School, to which reference has already been made, and whose writings will be examined rather more closely when the general body of Marxian Economics is discussed. But Chartism as a practical force must not be altogether ignored.

The Chartist movement was the worker's answer to the Industrial Revolution. During the second quarter of the nineteenth century Great Britain became increasingly industrialised; but the economic condition of working folk, if it did not actually get worse, was at any rate more keenly resented than ever before, when compared with

[1] For more adequate treatment of the industrial conditions and labour movements of the time, reference may be made to M. Hovell, *The Chartist Movement*, C. R. Fay, *Life and Labour in the Nineteenth Century*, and, for the theoretical side, M. Beer, *History of British Socialism*, vols. i. and ii.

the great fortunes which were being made in both Commerce and Manufacture. "Class-consciousness," of a sort, grew up and although the great majority of the working-classes, if they were articulate at all, joined in the cry for the Reform Bill, some, at any rate, even then opposed the alliance with the middle-classes which this involved. This class-conscious minority soon received reinforcements. Neither political nor economic benefits accrued to the working-classes from the Reform Act of 1832,[1] and a brief period of what would now be called Syndicalism set in. As early as January 1832, Benbow was preaching the general strike, and in September 1834 an essay appeared which pointed out that "class-war is the necessary consequence of the natural evolution of society, from Capitalism to Socialism, and that it heralds in the growth of a new form of society."[2] But by then the Syndicalist wave had spent its force. It was not that there was any less discontent than previously; as a matter of fact, the year 1834 was a particularly exasperating one for Labour: it witnessed the establishment of the new Poor Law (unpopular from the first), the brutal sentences on the Dorchester Labourers, and the breakdown of the Owenite "Grand National Consolidated Trades Union." It appeared, though, that political rather than industrial action was called for to meet the requirements of the situation: if the extended franchise was putting so much extra power into the hands of the middle-classes, clearly only a still further extension could secure the rights of working-men. Consequently the movement became a political agitation for Electoral Reform, although the famous six points of

[1] Although it must be remembered that the first important Factory Act was passed in 1833.

[2] Beer, vol. i. p. 287.

the Charter were not actually formulated until 1838 These were :

1. Universal Suffrage :
2. Equal Electoral Districts :
3. Abolition of all Property Tests for candidates for Parliament :
4. Annual Parliaments :
5. Voting by Ballot :
6. Payment of Members.

William Lovett, a London carpenter, was mainly responsible for the drafting of the Charter, which took the form of a Bill all ready prepared for presentation, and which was put forward by the London Working-Men's Association, after consultation with Francis Place, and with certain more or less sympathetic members of Parliament. The Charter itself was thus to some extent composite in origin, and the official Chartist movement, which may be said to date from this year, was also composite : its main support came from the skilled artisans of London, from the Birmingham Political Union (which was largely middle class), and from the miners and hand-loom weavers of the North, the stockingers of the North Midlands and the miners of South Wales, in fact from the industries where industrial conditions were worst and distress most prevalent. The Charter itself made an admirable rallying-point where all the various forms of discontent could meet, but the comprehensiveness of the movement was also its most serious source of weakness. Not only was there the main line of cleavage, between the physical force men and those who relied on moral suasion alone : there was also an inevitable clash of personalities between leaders of such different types as O'Connor, " the malignant and cowardly

demagogue,"[1] Lovett, the honest and intellectual carpenter, always for peaceful methods, and Attwood, the Birmingham banker with eccentric views on currency reform. Yet further, there was the question of middle-class co-operation. As early as 1832, Dr. Wade had advocated the formation of a purely working-men's union on the ground that middle-class leadership could not possibly be satisfactory to working-men;[2] but he himself was Vicar of Warwick and an "intellectual" and yet continued to command the respect of the whole Labour movement.[3] Similarly the London Working-Men's Association, though jealously admitting as members only real working-men, yet conferred Honorary Membership on sympathetic middle-class folk "being convinced from experience that the division of interests in the various classes in the present state of things is too often destructive of that union of sentiment which is essential to the prosecution of any great object."[4] But the more the physical force section of Chartism prevailed, the harder it was to preserve the alliance with the middle-class Radicals. O'Connor used most inflammatory language both in his paper, *The Northern Star*, and on the platforms of the Chartist Convention, although he was too much of a coward personally ever to bring his own skin into serious danger: but with his fierce

[1] This description, not in itself untrue, was applied to him by Roebuck when actually advocating in Parliament the consideration of the 2nd Chartist Petition in 1842. It was meant to turn off indignation from the petition on to O'Connor, but had the unintended effect of defeating the chances of the petition also.

[2] Hovell, p. 109.

[3] Dr. Wade was, except for his politics, very like the attractive clergymen of Peacock's novels, stout, genial and learned. He might well have passed for Dr. Folliott turned Radical.

[4] Lovett, *Life Struggles*, pp. 92-3. Quoted by Hovell, p. 61.

rhetoric he was able to prevail over Lovett and the moral suasion party, with disastrous results for Chartism. Parliament's refusal to consider the Petition in favour of the Charter led in the Summer of 1839 to suggestions for a National Holiday, (in other words, a General Strike); but although a date was fixed for this to begin, it was eventually cancelled when it became quite clear that nothing like enough support was forthcoming to carry it through successfully. After a good deal of local rioting, a really serious outbreak occurred in November, when a large number of armed men attempted to seize the town of Newport. Apparently this South Wales movement was intended to have been the signal for a more general rebellion, but its complete failure (for the insurgents were dispersed by only a small body of troops) prevented anything more than the most sporadic outbursts in Yorkshire and elsewhere. In the Chartist Convention, the physical force party had beaten their opponents, but in the country they had clearly not won over to their point of view anything more than a fraction of the supporters of the Charter, so devoid of violent revolutionary feelings (or so convinced of the hopelessness of violence) were even those who had apparently nothing to lose by it and much to gain. Yet it must be confessed that even the milder moral force Chartists with all their devoted " missionary " propaganda had not really won over to their side working-class opinion as a whole.

Chartism recovered with surprising rapidity from the failures of 1839, but it never again became an anxiety to the Government until the demonstrations which attended the presentation of the Third Monster Petition in April 1848. In the intervening years the lack of harmony between the various sections became more and more

marked, and the personal supremacy of O'Connor more unchallenged. One by one his opponents were driven out of the Chartist ranks. The Complete Suffrage Movement of 1842 appeared for a time to promise great things: it was the result of co-operation between Lovett and Sturge, the latter being a rich Quaker miller, who sympathised fully with working-class demands but at the same time regretted "class-war" and tried to bridge the gulf by his "Reconciliation between the Middle and Working Classes." "The Patriot and the Christian" he wrote, "fail in the discharge of their duty, if they do not by all peaceful and legitimate means strive to remove the enormous evil of class legislation."[1] Needless to say, O'Connor was not prepared to put up with any rival to his own newly formed National Charter Association. "Complete Suffrage" was denounced as "Complete Humbug," and the Chartist ranks were thus hopelessly divided. The O'Connor wing still further alienated middle-class opinion by the vehemence of their attacks on the Anti-Corn Law League, and the "*Physical Force*" policy justified its name by using violence against Free Trade meetings. In spite of all this, the (Second) Petition presented to Parliament in May 1842 was alleged to have more than three million signatures; a motion in Parliament that the Petitioners should be heard at the Bar of the House was defeated by an overwhelming majority; strikes and riots followed its rejection, but the Government arrested O'Connor[2] and other leaders, and there was never any fear of insurrections on a large scale. On the other hand, harmony within the Complete Suffrage Association was shattered at the

[1] Introduction to the *Reconciliation*, quoted by Hovell, p. 243.

[2] Although on this occasion O'Connor had advocated moral suasion only.

end of the year by the determination of the Sturgeites to avoid any connection with the name "Chartist." Although the principles of the Charter had been accepted by both sides, the attempted reconciliation between Middle Class Radicals and the working-classes had not been a success: the social reforms which were to follow the extension of the franchise offered unlimited scope for disagreements. This, of course, was throughout the inherent weakness of Chartism in any of its forms. It was a protest against bad economic conditions, and a claim to remedy them by altering the balance of political activity: but the actual shape which the new society was to take was never properly formulated, and all attempts to do so only revealed the fundamental diversities of view even within the ranks of the advocates of the Charter.

During the next five years, Chartism was entirely under the domination of O'Connor. It was alive, but not very active. It was, however, during this period that Marx came across it. He was in Brussels in 1845, and joined with the other exiled German revolutionaries in welcoming O'Connor, who came thither in the course of his tour through Belgium, studying agricultural methods with a view to incorporating them in his fantastic Land Scheme. Marx, as we have seen already, had just been introduced by Engels to the writings of Thompson, Bray and others of the English Socialist School; he was naturally glad to have a chance of knowing at first hand something about its practical manifestations. In London, a similar "entente" took place between Chartists and exiled revolutionaries. But when the hour struck the revolutionaries of the Continent did not get from the Chartists in England the armed support they had led themselves to believe might come. The great events of 1848 had but small

counterpart in England: there was much enthusiasm naturally, as success followed success in the Capitals of Europe: but "physical force" Chartism, never really strong, had shot its bolt nine years previously; it could do but little in England, still less anything to help revolutionaries overseas. There were riots in various places, but not on a large scale except in Scotland, and even there they were suppressed without any very great difficulty. The Government, however, did not feel itself really safe until after the Third Petition had been presented. This, it was alleged, had been signed by six million petitioners, and a great demonstration was organised for its delivery on April 10. The Government made its counter-preparations, but the crowd which assembled on Kennington Heath, though large,[1] was not anything like what had been anticipated and was induced to disperse quietly. The danger was over. The Petition itself, as is well-known, turned out on analysis to contain only two million signatures, many of them in the same writing, and many of them purely fictitious or facetious names.

Chartism lingered on in an enfeebled form for another ten years, and by degree the six points became incorporated in the Law of the Constitution. Annual Parliaments have not come, and probably never will, and at the moment Adult Suffrage is not absolutely complete; but these are the only exceptions. Great Britain had even in 1848 a far more liberal constitution than any Continental country. In Great Britain therefore less was attempted than on the Continent, and the reaction was less complete. No other country would have accepted such a band of disappointed and embittered exiles as collected in London: of whom Marx and Mazzini were the chief.

[1] Probably 20,000 or 30,000.

CHAPTER IV

THE PHASE OF THE "INTERNATIONAL"

(1) *Marx after* 1848

For progressive folk all the world over, a period of disillusionment followed the failure of the 1848 revolts to bring about any such considerable advance as had been hoped for from them. Marx, however, took comfort in the inevitable proletarian triumph which was bound to come eventually, and for the moment settled down to ordinary work. In 1852, he produced a pamphlet called "The Eighteenth Brumaire" in which he exposed Napoleon III.'s Coup d'Etat of December 1851, but his main work during these years was the "Critique of Political Economy," which appeared in 1859 and was a re-statement of his political and economic views up to that date. By what he considered a lucky chance, the "Origin of Species" was published the same year; "this wonderful work" he wrote of it, "makes my own absolutely impregnable. Darwin may not know it, but he belongs to the Social Revolution." Darwin certainly did not know it, and, whether impregnable or not, the Critique never attained a wide circulation. Marx himself attributed its comparative unpopularity to his abstruse style. This is likely enough. The faithful Engels was always ready to assure him that everything he wrote was easy reading, but Marx

was never more than half-convinced: whenever he saw anything of his own in print, he doubted whether it was clear, but apparently never took any definite steps to make it clearer. Nor was it only in print that he was hard to read: his handwriting was, at least to the English eye, wellnigh illegible. It was for this reason that he found himself unable to get employment as a railway clerk in 1862, when his financial position was again very bad, and he required more than the precarious earnings of occasional journalism to keep house and home together. It was possibly as early as this, but certainly again in 1867, that he was approached, through the medium of his former friend Lothair Buchar,[1] as to whether he would accept the position of economic correspondent of the official Prussian newspaper. This would of course have meant freedom from the terrible burden of financial anxiety, but would have meant also surrender of his dearest principles, and he was not to be bought at such a price. All the same, some of the extant letters of his wife to friends in Germany are pathetic indeed as evidence of the dreadful straits to which he was sometimes reduced, but testify also to the intense devotion of all the family to their head, and from none of them was there ever a word of complaint against him, or suggestion that they would have wished him to follow any other course of action. The family at this time, besides Marx and his wife, consisted of three surviving children (three being dead): Jenny, Laura and Eleanor [2]; the last named, we are told, was "Karl's favourite pet, laughing and chattering away many of his troubles."

[1] A former revolutionary, who had entered Prussian Government service, and was now a thoroughly loyal and "well-disposed" citizen.

[2] They married respectively Messrs. Longuet, Lafargue and Aveling.

Besides these there was a faithful and dearly loved nurse, Helène Demuth (Lenchen).[1]

Marx was fond of chess, but when he lost a game he lost his temper also. He was neither a good player nor a good loser. But he worked with amazing concentration and industry. Sixteen hours a day was nothing unusual, researching in the British Museum for every moment that the Reading Room was open, and then writing far on into the night, until eventually the doctor had to forbid evening work altogether. Similar diligence was expected of his disciples, and a whole band of fellow-exiles used to accompany him to the Museum: all of these, before they were admitted to the circle, had passed through a severe ordeal of cross-examination, and also of craniology; for Marx believed in judging men by the shape of their skulls and used to conduct practical tests for his own satisfaction.

But although during these years Marx was, naturally enough, much in the company of the other political exiles in London, here as always his inability to get on with other folk appeared from time to time. One of his chief confidants was Eccarius, a German tailor, whom however he never seems to have trusted completely. That, all through, was his weakness: he was intimate also with the chief English trade unionist leaders, Applegarth, Odger and Allan; all were men of intelligence and character, but in none of them did he repose perfect confidence. At the same time, independent though he was in his judgments, he liked always to have someone on whom he could rely and to whom he could go for advice if required. Engels of course was usually accessible, but Engels was too much of a replica of himself, and some more "outside" influence, such as that of the London trade unionists, would have

[1] She died November 4, 1890.

been most valuable if he had been willing to submit to it. Instead, during this period, he came to rely more and more on David Urquhart, an extremely able ex-diplomat, who had returned from a period of service at Constantinople with two fixed ideas, intense dislike of Palmerston and all his works, and equally intense dislike of Russia and everything Russian.[1] The effect of this on Marx is very clearly seen. It comes out in a "Story of the Life of Lord Palmerston" (articles contributed to the *New York Tribune*), and in his permanent anti-Slav bias.[2] This antagonism had existed before, and the influence of Urquhart merely went to confirm and strengthen it. It was not only a detestation of the Tsar's absolutism, but also a feeling that the Slavs were, and always would be, a backward race, and that any attempt to work them into the Labour movement to any considerable extent would involve subordinating the civilised West to the interests of the barbarous East. Urquhart also encouraged him in his bad habit of denouncing as "spies" or "reactionaries" all those who differed from him. Urquhart himself actually declared at a private meeting in London, that even if Kossuth was not directly in the pay of Russia, he was at any rate very much under the influence of one who was, to wit Mazzini! Marx did not need much encouragement in this line of business. In 1848 he had denounced Herwegh as a reactionary tool, for no other reason apparently than that he happened not to favour

[1] A life of this curious and interesting man (the introducer into Europe of the Turkish Bath) has recently appeared. *David Urquhart: Some Chapters in the Life of a Victorian Knight-Errant of Justice and Liberty*, by Gertrude Robinson.

[2] The fact that he had some Russian revolutionaries, such as Tchernychefsky, among his friends, does nothing to disprove his general anti-Slav attitude.

Herwegh's proposal for raising a Revolutionary Legion to go and fight in Germany. Herzen was accused in the same way later, as was, of all people, Bakunin. In 1848 there appeared in the *Neue Rheinische Zeitung*, which Marx was then editing, a report from Paris to the effect that George Sand (the well-known woman novelist) was in possession of proof that Bakunin was nothing less than a tool of the Russian Government. The infuriated anarchist immediately wrote to George Sand demanding an explanation, whereupon it was discovered that she knew nothing at all about the matter! Marx apologised for having, under a misapprehension, put the rumour in circulation, but the mischief had been done and Bakunin was henceforward an object of suspicion. The charge was repeated in 1850, again without the production of any proof, in the *Morning Advertiser*, a paper entirely under Urquhart's influence. Yet once more, in 1862, the old accusation reappeared. Bakunin had just arrived in Europe, having survived several death-sentences (nearly but not quite carried into effect), six years in a Russian prison, and a period of banishment in Siberia, whence he had escaped via Japan to America. His sufferings had been severe, and his health permanently affected (for one thing, all his teeth had fallen out) but the *Free Press* welcomed him with the genial greeting, "another of these agents has again been let loose upon Europe." The article was anonymous, but in the "exile" circles of London there was general agreement that it had been written by Marx. Some kind of a peace was patched up, and in 1864 Marx was writing to tell Engels that he had met Bakunin personally, for the first time for sixteen years, and he liked him better than he had done before,[1] but the breach between

[1] *Briefwechsel zwischen Engels und Marx*, vol. iii. No. 750.

the two was never really healed, and it was the clash of their jarring personalities, almost more than anything else, which brought the first International to its untimely end.[1]

But the "International" was not born till 1864, and even before this Marx, by his propagandist activities, was taking a prominent, though often indirect, part in foreign affairs. In 1863, through the agency of Eccarius, he brought pressure to bear on the Trade Unions of Great Britain, rousing them to vigorous but ineffective demonstrations against Russian tactics in Poland, where the "Secret Conscription" movement had led to revolts which were being suppressed with the utmost brutality. In the same way, but rather earlier, he had worked hard to get the point of view of "the North" put in front of British working-men at the time of the American Civil War. To begin with, the opinion of the country as a whole was on the side of the Southern States, mainly because their point of view alone was advertised; the conversion of a large body of middle-class opinion was due mainly to the great efforts of Bright and Cobden, and Marx (though thoroughly out of sympathy with them in other ways)[2] advised enlisting their support also for meetings of Trade Unionists up and down the country, which was done with eminently satisfactory results. This sympathy with the North he never abandoned, and it was on his prompting

[1] Even the charge of being a spy was not finished with. It was repeated at the Basle Congress of 1869 by Liebknecht, who, however, was compelled to withdraw it unreservedly after an enquiry by a Court of Honour. And it was repeated also by Marx, though in a roundabout way, in one of his confidential letters to the Brunswick Committee in 1870 (*vide* V. Dave, *Michel Bakunin et Karl Marx*).

[2] Owing to their opposition to Factory Legislation.

that the general Council of the "International" sent a message of congratulation to Lincoln on his re-election to the Presidency of the United States in 1864.

The crown of many years of patient effort came in 1867, when the first volume of *Capital* appeared. The two remaining volumes were actually published only after his death, but the rest of his life was consecrated to their production, and to the revision of Volume I.

The first volume of *Capital* did not take the world by storm. Two months after its publication Marx was writing to Engels complaining that he was made "fidgetty" by the silence in which it was being received.[1] The Germans, although it was written in their own language, were only apathetic in their welcome, and as a matter of fact it was in Russia that it was at first most popular. A St. Petersburg bookseller at once proposed a Russian translation, which although not actually appearing until 1872, had an immediate success. It was published on March 27th, and by May 25th 1000 copies had been sold. It was passed by the Russian Censorship which was advised that no action would lie against it, since it was no ordinary revolutionary book, so mathematical was it in form and so scientific in argument. The French edition was equally popular, but no English translation appeared in Marx's own lifetime, and the attention paid to the book in England was but slight. There was a short notice in the *Saturday Review*, in which Marx was praised for having managed to invest with a certain amount of charm even the driest economic questions. Engels was less successful in avoiding "dryness" in a longer notice which he wrote for the *Fortnightly Review*, and consequently it never appeared, in spite of Beesly's efforts to get it accepted. But the subsequent popularity

[1] *Briefwechsel zwischen Engels und Marx*, vol. iii. p. 419.

of *Capital* has made up for any neglect it received at first.

(2) *The "International"*

Marx was the guiding spirit of the first International Working-Men's Association, but he was not, and did not claim to be, its founder. The preparatory work was done by French and English working-men during the years 1862-1864. The scheme really started from a visit paid by certain Parisian working-men to the London Exhibition of 1862. The "advanced" working-men of London received them most warmly, and on August 5, gave a big fête in their honour. International committees, to suggest joint action in certain cases, were then agreed upon, and an occasion for their use soon arose. The next year (1863) witnessed the fierce but unsuccessful insurrections in Poland against the "Secret Conscription" movement, and, as we have seen, many protest meetings on behalf of the Poles were held throughout Great Britain. In connection with them, a delegation from Paris came over to London in July, and while it was there, the London Trade Union leader Odger proposed that regular International Congresses should be held, as their possible value had been clearly demonstrated. The idea was warmly welcomed, and various folk set to work to prepare definite proposals. At a big and enthusiastic meeting in London in September 1864, the French schemes were accepted as a basis, and a more formal "founding committee" was set up, on which Marx was given a place. That he should come to the front as soon as the movement got really going was as natural as that in its earliest stages he should have stood aloof; not from any lack of sympathy, but just because there was no reason why he *should* have intervened in the

unofficial "pour-parlers" of the working-men of London and Paris. In a letter of this year (Nov. 11) to Engels, Marx explained that he had attended the autumn meetings because Le Lubez had expressly invited him to come; but at the same time he acknowledged that the real origin of the proposed Association had lain with the French and English working-men. He wrote to Wedemeyer as follows: "The newly established International Working-men's Committee is not without significance. Its English members consist for the most part of the leaders of the Trade Unions of this country, the working-men kings of London; the same people as prepared the great reception for Garibaldi, and, by their monster meeting under Bright's chairmanship in St. James' Hall, hindered Palmerston from declaring war on the United States, which he was on the point of doing. From the French side, the members are not of importance, except that they are the controlling force behind the working-men of Paris. Connection has also been established with the Italian Unions, which recently held their Congress at Naples. Although I have for many years systematically declined to take part in any organisation, I accepted this time, because it was a question of a concern which might be made into something of importance." [1]

The founding of the "International" naturally aroused much enthusiasm in the colony of Continental exiles in London, and the clash of temperaments which was finally to ruin the association was seen at the very beginning, when Mazzini and Marx were both invited to draw up statements of belief to serve as a basis of the inaugural address. Inasmuch as the association was essentially Labour in its extremer form, the "idealist" internationalism of Mazzini was not unnaturally rejected in

[1] Mehring, *Karl Marx*, p. 330 (Leipsig 1918).

favour of the more aggressive variety proffered by Marx, and the Mazzini party in London withdrew from active co-operation in the launching of the new project. Mazzini, however, was sufficiently broad-minded not to stand altogether aloof from the movement, and in the spring of 1865 wrote a letter in which the Italian exiles in London are advised to join, but at the same time the sole conditions in which "internationalism" was deemed profitable are clearly and uncompromisingly stated, as are his views on class-warfare. "You ought to join the International association. The English elements in it are excellent, but the others not quite so good . . . and it is essential to be on your guard against the influences which will go to increase the open antagonism between the working-classes and the middle-classes. . . . Fatherland and Humanity are inseparable; one is the ladder to the other. Without such institutions as Fatherland and Free Nations, no international organisation can produce big results."

The Inaugural Address was therefore the work of Karl Marx, not of Mazzini. It was delivered in St. Martin's Hall on September 28, 1864, and is especially interesting as shewing Marx' position shortly before the appearance of the first volume of "Capital." It took the shape of a review of English social conditions, and the changes which had taken place in them since 1848. It pointed out, on true Marxian lines, that the prophetic hour for the expropriation of the expropriators was at hand. Capitalism was developing itself to its full extent and making the final catastrophe inevitable. Even in agriculture, the concentration of capital was going on fast. In the preceding ten years the number of people owning land had decreased eleven per cent. Moreover in the industrial sphere, the proletariat was making its strength felt. The passage in

which he explains this is sufficiently significant to deserve quoting in full :—

> "After a thirty years' war conducted with wonderful endurance, the English working-class succeeded in utilising a temporary clash between the landed aristocracy and the moneyed aristocracy, and the Ten-Hour Bill was put through. Everybody acknowledges now its significant physical, moral and intellectual advantages for the working-class. . . . The majority of the Continental governments felt themselves also obliged to introduce the English Factory Acts, and the British Parliament was compelled to enlarge from year to year the sphere of influence of the Factory Acts. The wonderful results of this labour measure were of more than merely immediate practical significance. The notorious mouthpieces of the British bourgeoisie, scholars like Dr. Ure, Professor Senior and wiseacres of the same type, prophesied and proved to their own satisfaction that any legal limitation of the working-day would toll the knell of British industry—an industry which, like a vampire, could thrive only on blood, children's blood above all. The struggle for the legal limitation of the working-day was the more bitter, because it was not merely a check upon individual greed, but also a direct intervention in the great battle waged between the blind law of supply and demand—the political economy of the bourgeois—and the principle of social regulation of production, which is the quintessence of the political economy of the labouring-class. And therefore the Ten Hour Bill was not only a great practical success, it was the victory of a principle. In the bright sunlight of day the bourgeois political economy was here vanquished

for the first time by the political economy of the working-class." [1]

In passing, it is just worth noting that these two examples to some extent nullify one another. The agricultural case is quoted to instance the increasing concentration of capital and the consequent increasing misery of the working-classes ; it is an example of the general tendency of Capitalism to get more and more " perfect," involving more and more wretchedness for the proletariat until of necessity the Social Revolution comes about. But the conclusion to be drawn from the Ten Hours Act was directly opposite : it was instanced by Marx as an example of the power of the proletariat, but it was bound to suggest also that there was an alternative to a Social Revolution inevitably following the increasing misery, that, in fact, even while preserving the capitalist structure, improvements and reforms of real value could be obtained.

The " International " was now fairly launched, and the conditions for its success might well appear far more favourable than they had been when Marx had summoned the " proletarians of all lands " to unite in 1848. When the Communist Manifesto appeared, England was the only country which was industrialised to any considerable extent, and elsewhere purely " national " problems were taking a prominent place in men's thoughts. But by 1864 Industrialism had spread all over Western Europe, and economic problems were everywhere acute : there seemed therefore a great opportunity for international action on the part of Labour. But even so, questions of a purely " nationalist " kind yet remained. Germany was still far from being

[1] Simkhovitch, *Marxism versus Socialism*, pp. 123-4 (corrected and abbreviated).

united, and the successes which Garibaldi had recently won in Sicily brought "nationalist" ideals once more into prominence. This explains perhaps why the "International" was never a world-moving force. Nationalism, like Samson blinded but still powerful, marched even into the temple of "Internationalism" and brought down the edifice about the ears of its worshippers. Between the years 1866 and 1872 five important congresses were held, but during the same short period two big European wars were fought, without International Labour being able, or in some cases even willing, to stop them. But the "International" had other difficulties as well. Personalities split it even more than policies.

The early congresses were mild enough. The first was held at Geneva in September 1866, the second at Lausanne in September 1867. At the latter no general attack was made on private property, but the railways were demanded for the State. Considerable suspicion was shown towards the Co-operative Societies. They were not considered to be good employers, and they were not helping forward the Social Revolution. There was a danger of their making themselves into a Fourth Estate, with a Fifth Estate (their employees) beneath them. Marx himself had assailed the Co-operative Societies in his "Eighteenth Brumaire" pamphlet, but had praised their progress in his Inaugural Address to the "International"—another example of the "reformist" tendencies he then rather surprisingly displayed. At this second congress there was also one of those "anti-intellectualist" revolts which seem destined to arise periodically in all Labour movements: there was even an attempt made to exclude Marx and Engels from the Association on the ground that "once a bourgeois, always a bourgeois," but not unnaturally the

value of the leaders to the movement was too great to allow of their being driven out of it. But this was a tendency throughout, and the English trade-union leaders were always considered to be rather reactionary because of their avowed intention to co-operate with the middle-classes whenever they wanted to.

The third congress was held at Brussels in September 1868. It pronounced strongly against war (the Prusso-Austrian war was still fresh in men's memories, and the "International" atmosphere was distinctly electric). It also went a stage further than the Lausanne congress in its industrial demands; not only railways, but also mines, forests and all arable land were claimed to be proper objects for Nationalisation.

The fourth congress was held at Basle in September 1869. Yet another step forward was taken: after a fierce discussion the principle of hereditary succession to property was condemned, and then, more boldly still, the abolition of all private property was called for. This was a stage beyond anything that Marx, at any rate had yet got to, and was entirely due to the strength of the Bakunin element in the "International." The Marxists were against it. With this resolution may be contrasted his passionate outburst when asked whether the Communist Manifesto desired the confiscation of the small man's "hardwon self-acquired property." "Do you mean the property of the petty artisan, or of the small peasant, a form of property that preceded the bourgeois form? There is no need to abolish *that*; the development of industry has to a great extent already destroyed it, and is still destroying it." He had then made it clear that only *mis*-appropriation of property by Capitalists was in question. But at Basle apparently any smaller property which happened

to have survived "the bourgeois form" of social structure was to disappear also.

The fact of the matter was that though Marx dominated the General Council he was inclined to be out of touch with the rank and file of the movement. The "anarchists" he frankly detested, especially Bakunin; for the French labour extremists (except for a few of the exiles in London) he cared little more, and even among the Germans he had many opponents; the Italians not unnaturally took the Mazzini attitude to European questions, and were therefore inclined to be in opposition. He was on good terms with most of his fellow exiles, and with many of the English trade unionists; but he did not follow, or even invite, their advice to any extent. If he had relied rather more on Eccarius and Odger, and rather less on Engels and Urquhart, the fortunes of the "International" might have been happier. And if he consulted only two, he could bear the rivalry of none, and the Basle congress is very much overshadowed by his duel with Bakunin. "The International," wrote an observer, "had an uncrowned pontiff and an uncrowned prince; a pontiff in the Russian savage and a ruler in the German Jew."[1] Bakunin may have been the pontiff and Marx the prince, but history shews that priests and kings do not always act harmoniously. In this particular case they came into violent conflict with one another. Bakunin had been driven out of the movement once, and had only been re-admitted on the condition of abandoning his rival "Swiss Alliance"[2]; but once inside again he shewed that he had a very powerful following, and that he was not prepared to allow Marx

[1] Onslow Yorke, *The International.*

[2] Although Onslow Yorke says erroneously (p. 132) that the "Swiss Alliance" was actually admitted as a branch of the 'International.'

to continue in undisputed command of the movement. The following quotation does not emphasise sufficiently the bitter antagonism between the two, but shews the extent to which their personalities dominated the scene :

> " When Basle heard the voice of wisdom she might rest in peace for ever more. Bakunin came in all the splendour of his representative dignity—the universal man. He represented Russia by his birth, America by his letters of naturalisation, Saxony by his title, Canton Geneva by his residence, Canton Basle by his presence, France and Italy by his delegated powers. He claimed to sit in Congress as a delegate from the weavers of Lyons and from the lazzaroni of Naples. Karl Marx remained behind his cloud, content to rule the rulers and to keep the halo of his glory out of sight." [1]

When the next congress met at the Hague in 1872 the position had become intolerable. Bakunin could not be defeated directly; an indirect attack was therefore necessary and, on a motion proposed by Marx, the seat of the General Council was removed to New York, secure from the complications of European entanglements, but removed also from the obvious scene of its labours. It is not surprising that the Council never flourished in its new home, or that the Association itself died quietly in 1875. Marx had killed it. Here also he had taken council of none but Engels. Mr. Spargo considers it a " puerile criticism " to say that Marx had made the " International "

[1] Onslow Yorke, *op. cit.* pp. 140, 1. Bakunin had become an American citizen. He was nicknamed " King of Saxony " because of a meteoric appearance there during a revolt. The Lyons and Naples working-men had actually elected him as their representative.

fall to pieces,[1] but he produces no evidence to controvert the obvious facts. There was no room in the movement for both Marx and Bakunin; for each was a jealous man, who found it impossible to co-operate with others on anything like equal terms. In spite of the fact that Volume I. of *Capital* had come out in 1867, Marx had not got enough of a following to expel his rival once and for all; he therefore fell back on the indirect method of attack, which harmed the "International" far more than it injured Bakunin.

(3) *The "International" and the War of* 1870

Marx dealt the "International" a deadly blow in 1872, but he had already weakened its position by the line he had taken during the Franco-Prussian war—a period which was bound anyhow to be a great strain on the cohesiveness of the Association. About the war there was a difference of opinion within the "International" from the very beginning. The French members, however ready to condemn the policy of Napoleon III., found it hard to look on Bismarck as an injured innocent. Marx, on the other hand, definitely accepted the war as being, from the German point of view, nothing more than a war of defence. So much for the early stages; but the real difference came after the crushing French defeat at Sedan, and their surrender of Metz. Surely, it might be urged, France had paid enough for its previous aggressiveness,

[1] *Karl Marx.* It has also been suggested (Coates, *Karl Marx*, International Socialist Library) that Marx was overworked, and wanted more leisure to go on with the second and third volumes of *Capital.* This is a very naïve attempt to slur over the plain fact that Marx had been unable to make the "International" into what he wanted it to be.

and the overthrow of the Empire and establishment of a Republic could be taken as adequate signs of repentance. So, at least, many of the Social Democrats of Germany thought, and at Brunswick in the beginning of September they put forward a manifesto, acclaiming the new French Republic and calling for a speedy peace. Marx, however, by no means accepted this point of view. It is true that on September 5th he wrote to the Brunswick Committee a manifesto addressed to the working-classes of Germany, and recommending a speedy and honourable peace; but when his friend Kugelmann suggested that the war had ceased to be one of defence merely, he was severely handled and told that it was only his deplorable ignorance of dialectic which prevented him from realising that a war of defence was bound to have aggressive features in it. On September 10th Marx wrote to Engels to tell him how much he disliked the Brunswick manifesto, and Engels answered on the 12th that it had indeed shown a deplorable lack of tact. He hoped, however, that the working-men of France would have so much else on their hands at the moment that they would not have time to study it too closely. Anyhow, to counterbalance it, the General Council of the "International" had on September 9th published a manifesto in which they urged their French members not to be led away by memories of 1792, but to look forward to the future and organise their own party accordingly. By "memories of 1792" they alluded to the defence of the infant Republic (after the French Revolution) against the invasion of Prussia, instigated by runaway French nobles who hoped to restore the old régime by force of arms: the resistance to this invasion had been based partly on grounds of French "national sentiment," partly on determination to preserve the political and

economic (mainly political) reforms produced by the Revolution. By "looking forward to the future" the General Council suggested that instead of misplaced "national" sentiment, French working men should so organise themselves on class-conscious lines that a defeated France might be the best starting point for a Social Revolution which would be able perhaps to overthrow all the governments of Europe.

What this was to imply in practice can be seen from a letter from Engels to Marx at about this time, "If one could have any influence at Paris, it would be necessary to prevent the working-folk from budging until the peace." The French working-men were not, however, prepared to allow a complete "walk-over" for their enemies on the chance that a triumphant Germany might be willing suddenly to overthrow the very principle of nationalism which had been the cause of its triumph. This desire to prolong their resistance seemed to Marx very unreasonable, and he indulged in many petulant outbursts about "putting their heads in a bucket," "tell the working-men of Marseilles to put their heads in a bucket," and so on; the phrase evidently appealed to him: but then, of course, the idea of a German triumph also appealed to him as it could not be expected to do to them. This was partly because the old Adam of nationalism was not fully dead in him, and partly because in the "International" of the future, in the form which it would take as a result of the war, "the centre of gravity of the working-men's movement could be transferred from France to Germany," and thus Germany's historic mission would be fulfilled. All this had figured in his letter to the Brunswick Committee, which had been tactless enough to publish it in extenso! The only consolation Marx could find was that they had

not reproduced also all the uncomplimentary things which he had said about French labour. It can scarcely be a cause for surprise if French working men were not wildly enthusiastic about the "International" when they saw its directing spirit taking up such a line, especially if they ever knew that Marx and Engels in their letters regularly referred to them as "frogs," a form of humour which the ordinary English school boy manages to outgrow at quite a tender age. "The imbeciles of Paris and their ridiculous manifesto" was the courteous and statesmanlike way in which Marx alluded to the "Appeal to the German people" which the Parisian members of the "International" issued in the autumn of 1870. Very different was the attitude of Bakunin, who believed that Imperialist Germany was, and was likely to remain, a bar to progress, especially if emerging triumphant from a great war: on the other hand, in saving France, universal liberty could be saved.[1] "O, if I was young, I would not write: I would be among you," he said. Garibaldi *was* among them, sword in hand. One need not after all this go so far as to dub Marx a "Pan-German" (as M. Guillaume does)[2] or to say that he was deliberately a traitor to the "International." All can be satisfactorily explained by the curious psychology of the man who was convinced that everything German was better than anything French (however harshly a German might be privileged to speak of the institutions of his native land), and who was naïve enough to believe

[1] Bakunin *may* only have meant that the world would be "made safe for" Anarchy, but French Labour was not particularly anarchistic, and probably he meant exactly what he said.

[2] *Karl Marx, Pan-Germaniste.* Longuet is, I think, only partially successful in his reply, *La Politique Internationale du Marxisme: Karl Marx et la France* (Paris, 1918).

that the victorious country in an international struggle would be a likely field for Internationalism to grow and spread in. The universal acclamation which, in Germany, greeted the establishment of the German Empire at Versailles on January 28th, 1871, might have undeceived him. But apparently it did not. He was still primarily anxious for the predominance of Germany in the Labour movement, and was still convinced that this was being secured by the French defeats. Thus in November 1871 he explained (in a letter to a friend in New York), that although the Germans were numerically so insignificant in the Labour movement, yet, in matters of theory, German science (*i.e.* Scientific Socialism) as represented by him had the dominating influence over both France and England alike. But this desire to "boss" the "International" had been present throughout. After the Geneva Congress of 1866 he had written to Engels, "at the next Revolution we (that is *you* and *I*) will have this powerful instrument in our hands." Because he could not in the end obtain this result he preferred to break the instrument, or, rather, to put it away on a shelf where it could no longer be powerful, and where it soon got rusty and snapped.

Mazzini had been the opponent of Marx at the beginning of the "International" as Bakunin was at the end: but Mazzini had been pushed aside in a way that Bakunin could not be. Yet the Italian patriot was not the sort of man to nourish a petty grievance, and his characterisation of Marx seems both accurate and illuminating, "He is a German, a man of acute but destructive spirit, like Proudhon, of imperious temperament and jealous of the influence of others. He believes strongly neither in philosophical nor religious truths, and, as I had reason to fear, hatred

outweighs love in his heart; which is not right, even if the hatred may in itself have foundation." [1]

If this sketch is set alongside that given by Schürz,[2] the Marx of 1848 and the Marx of 1871 will not appear very dissimilar.

[1] Letter in *La Roma del Popolo*, 13th July, 1871.

[2] *Vide* p. 31.

CHAPTER V

THE MARXIAN THEORY OF VALUE

(1) *Value and the English Socialists*

Marx's Theory of Value is not really the cornerstone of his economic doctrine, although it is sometimes made to appear so by modern Marxians. In all its explanations and qualifications it is somewhat abstruse, but the main propositions can be stated quite simply. They are two in number:

(i) that Labour is the cause of all value; Capital in the sense of machinery, buildings, etc., is merely the result of Labour in the past and cannot create fresh value: it merely re-creates itself.

(ii) that although Labour is the cause of value it does not in practice earn all it produces: it earns just enough to enable it to subsist and perpetuate its species; the difference between this and what it produces is "Surplus Value" and is taken entirely by the Capitalist.

The validity of these propositions, and the precise meaning to be given to such ambiguous phrases as "Labour" and "Value" must be considered later. For the moment, the origin of the theories claims attention. To-day they often appear as a sudden flash of light to the twentieth century worker, bemused in the dark of an

industrial system which he does not understand: in the middle of the nineteenth century these theories were sensational only because men's memories were so short; they were merely systematisations of vaguer ideas which had been largely prevalent in the first half of the century. This is not intended to detract in any way from the great force and thoroughness with which Marx expounded his views; nor does it really matter very much whether Marx was in this matter an original thinker or not: he certainly made these ideas his own, even if they were not his to begin with. Marx dealt with a fully-industrialised (but not a fully capitalised) England. These earlier views on the relations of Labour and value were the products of an England in a less mature state either of industrialisation or of capitalisation. Marx himself, and German Social Democracy inspired by Marx, have counted for so much in the world's labour movement that it is often forgotten that Great Britain was the birthplace not only of the industrial revolution but also of many of the earliest writers against capitalism: it was the birth-place too of Adam Smith and of Ricardo, and Marxism is a curious blending of "orthodox" and socialist Economics.

The idea of Labour as the basis of and title to property was one that could not and did not arise under the feudal régime; but it figured in the many seventeenth century discussions on the nature and rights of property, discussions in which Locke and Petty took a prominent part. Property and Political Rights went together: "Labour is the father and active principle of wealth as Lands are the mother."[1] But just as in the politics of the time the vote was not given to the ordinary wage earner, so in economic theory Labour was understood in a narrow sense,

[1] Sir William Petty.

meaning the man who works as an independent producer, perhaps with a little capital: any wage earners whom he may employ under him are specifically ruled out of account. Thus again, although "of the product of the earth . . . in most cases ninety-nine hundredths are wholly to be put on the account of Labour,"[1] labour does not mean the wage-earner: and at this time Gregory King, in his statistical enquiries about the economic condition of England, was actually reckoning the wage-earners as an unproductive portion of the community.[2]

It was, however, in the palmy days of the Classical Economists that the contribution of Labour to the creation of value was most emphasised, especially by Adam Smith and Ricardo. Labour, says the latter, is "the foundation of all value," and the relative quantity of labour almost exclusively determines the relative value of commodities. The same idea is found in Adam Smith's dictum that "it is natural that what is usually the produce of two days' labour or two hours' labour should be worth double what is usually the produce of one day's or one hour's labour." "Labour" is no longer vaguely a producer of value, but the amount of labour expended on production is brought into definite relation to the value of the finished article. But Ricardo brings in other conceptions which will be met with again in Marx. He refuses to allow any real productive power to "fixed" capital (*i.e.* raw materials, machinery, etc.) which, he holds, is constantly being used up, and merely produces as much value as it loses in the

[1] John Locke.

[2] With these should be compared the first really modern economic statistics, those of Patrick Colquhoun at the beginning of the nineteenth century. He naturally counted manual workers as productive labour, and included also in this category manufacturers, farmers and landowners.

process; that is, it remains literally "fixed" in amount, and never gets greater or less. Labour, therefore, alone produces *new* value (*i.e.* value in addition to its own consumption—costs and that of "fixed" capital). But the price of Labour (*i.e.* wages) is not the full value of what Labour produces; otherwise the capitalist would get no benefit from the *new* value: "the natural price of labour is that price which is necessary to enable the labourers, one with another, to subsist and to perpetuate their race, without either increase or diminution." But this, of course, was so because Labour did not mean to Ricardo, any more than it had done to the seventeenth century Economists, Manual Labour alone: it definitely meant Labour organised by a capitalist; but he included the manual labourer as a value-producing element, whereas the earlier writers, as we have seen, had left him out; yet even now the labourer alone was not considered the sole element in the creation of value, and the laws of capitalist production made it clear what the limits of his remuneration would be. All this was carried on by Marx, with amplifications and interpretations which he drew from the anti-capitalist economists of the period.

English Socialists have been backward in honouring the very remarkable little group of pioneers who, in the early years of the Nineteenth Century, created a whole school of anti-capitalist economics. They should, perhaps, scarcely be called a group because their personal connection with one another was of the slightest, but in their writings they reveal an identical standpoint, and a common indebtedness to Ricardo. Until recently, very little was known about them, owing to the way in which attention was concentrated on one or two outstanding figures of the period, notably Robert Owen and Marx himself. But

they have recently been resuscitated, and will be found, living, attractive figures, in Menger's *Right to the Whole Produce of Labour* [1] and in the first volume of Beer's *History of British Socialism*.[2]

The earliest, but not the most important, was Dr. Charles Hall, a medical man, whose *Effects of Civilisation* appeared in 1805 and had a wide circulation among the reformers and progressives of the period. It was a protest against what he considered an artificial and unnatural increase of wealth, all gained at the expense of Labour. "The situation of the rich and poor, like the algebraic terms plus and minus, are in direct opposition to and destructive of each other." The workmen produce the goods, but in order that the capitalist may have his profits they get less for them than their full value. The interests of Capital and Labour are therefore irreconcilably opposed.

William Thompson, an Irish landowner, also refused to find in the capitalist any genuine factor towards the production of wealth. Labour alone, he says, produces additional value, but he does not base his practical claims on this, for he admits that from the manufacturers' side a case might be made out for surplus-value being produced by machinery or some other form of "fixed" capital. He therefore urges the claims of Labour on the utilitarian grounds that "the productive labourer, being sure of the whole produce of labour, would employ the utmost energy in production. Wealth would be diffused among the masses, and thus create the opportunity for the greatest happiness of the greatest numbers."

[1] London, 1899, with a long and excellent introduction by H. S. Foxwell, which is in itself a mine of information about these early Socialists.

[2] London, 1920.

Thomas Rowe Edmonds took as his starting point the thesis that happiness is the object of society, and social happiness depends on knowledge, not on wealth; in fact the pursuit of wealth lessens the desire for knowledge, and therefore for true happiness: moreover it divides society sharply into two classes, masters and labourers: the latter alone are productive, but however much they produce they receive for themselves only as much as is necessary to keep them alive, and therefore, though the measure of the value of all commodities is the amount of labour that has gone to make it, the value of labour itself is measured by the barest necessaries of life. On the other hand, there are social and co-operative tendencies in humanity, of which full use could be made if men would only accept the first law of God and nature, "that no man or class of men can increase their happiness by oppressing, or by diminishing the happiness of other men or other classes of men." [1]

But the two members of this school of thought who influenced Marx most directly were Thomas Hodgskin and J. F. Bray. The former was a naval officer who was dismissed from the service for a pamphlet considered subversive of discipline, and then became a journalist and lecturer of considerable distinction. His travels on the Continent, especially in Germany and Austria, gave him a wider outlook than most of these early writers, whose knowledge of economic conditions was confined entirely to England. But he was no less keen a critic than they of the social misfortunes arising from capitalism.[2]

[1] Edmonds, *Practical, Moral and Political Economy.*

[2] Hodgskin's most characteristic and best-known book is *Labour Defended against the Claims of Capital,* from which the following quotations are taken.

"All the effects usually attributed to accumulation of circulating capital are derived from the accumulation and storing up of skilled labour." "Fixed capital does not derive its utility from previous, but present labour, and does not bring its owner a profit because it has been stored up, but because it is a means of obtaining a command over labour." Hodgskin is in agreement with the other writers in believing that the capitalist allows the labourer only as much as will keep him alive, but he is ahead of them in admitting that employers share in producing wealth inasmuch as they themselves work with hand or brain and do not merely stand idle and receive interest on capital. "Masters, it is evident, are labourers as well as their journeymen. In this character their interest is precisely the same as that of their men. But they are also either capitalists or the agents of the capitalist, and in this respect their interest is decidedly opposed to the interest of their workmen."

J. F. Bray was a compositor by trade, and the author of *Labour's Wrongs and Labour's Remedy*. This book was published at Leeds, (soon to be famous as the home of O'Connor's *Northern Star*), and appeared in 1839, when the disillusionment after the Reform Bill of 1832 was widespread, very naturally, according to Bray, as it was hopeless to expect that political measures could cure social evils: more radical and far-reaching changes were necessary than the mere extension of the franchise, for "every social and governmental wrong owes its rise to the existing social system, to the institution of property as it at present exists." "The producers have merely to determine whether it be not possible to change that social whole which keeps them poor, as well as that governmental part which oppresses them because they are poor." The

mischief, tracked back behind private property, is found to be in the "unequal exchanges" which the property owner is enabled to make. The employer never gives the labourer a fair exchange for the work he does. "Capitalists and proprietors do no more than give the workingman, for his labour of one week, a part of the wealth which they obtained from him the week before." "View the matter as we will, there is seen to be no towering pile of wealth which has not been heaped together by rapacity."

Marx was engaged in reading Hodgskin when O'Connor visited him at Brussels in 1845: he evidently discovered Bray also about this time, and Foxwell shews how grudging was his recognition of one to whom he owed so much.[1] "In his *Misère de la Philosophie*, 1847, when his object is to discredit Proudhon, he quotes Bray to the extent of nine pages, and describes his essay as a remarkable performance, little known in France, but containing the key to all the works of Proudhon, past, present and future, (pp. 50-62). In 1859, when he had begun to develop his own theory, the notice of Bray is limited to the mention of his name in a footnote (The *Critique*, German Ed., page 64). Even his name does not occur in *Capital*, 1867, though the list of works quoted in that book extends to sixteen pages, and it is here that Marx develops the theory of profit which Bray had so vigorously put forward in 1839." When we remember that Hyndman in 1881, announced (in his *England for All*) that he was "indebted to the work of a great thinker and original writer which will, I trust, shortly be made accessible to the majority of my countrymen,"[2] and that Marx was really angry

[1] Introduction to *Menger*, p. lxxi.

[2] Very few of Marx's writings had at that time been translated into English.

because he was not mentioned directly by name, it is hard not to draw for ourselves an unpleasant picture of a man determined to claim all the recognition he can, both for what he has himself done and for what he has borrowed from others. Borrow from others Marx certainly did (indeed, why should he not?) but however much his theory of value may seem to have been anticipated, almost word for word, by these early Socialists, there is this important difference between him and them, that their views are vaguer and rest on a much less solid basis of systematic and closely reasoned argument than do his, while in their constructive proposals they shew themselves to be idealists and Utopians. They would doubtless have claimed that their socialism was in accordance with Nature: they would not have claimed, as Marx did for his, that it was in accordance with Science.

(2) *Value and Use Value*

Marx differed from these English writers in the same way that he differed from all earlier Socialists: he abolished the moral appeal. To them "Labour's Wrongs" meant that the working-man was being defrauded inasmuch as he did not obtain the whole product of his labour: "Labour's Remedy" was to be some way of securing that this first claim should no longer be ignored. But Marx was always more interested in the "is" than in the "ought to be," and his theory of Value and Surplus Value only sets out to explain the actual way in which, as a mere matter of fact, value is created under the existing Capitalist system of production, and the part played by Labour in this creation of value. But first of all, what is value? If by its ambiguity the term "Labour" has confused its thousands,

"Value" has confused its tens of thousands. And yet there is no word we employ more often, meaning, in its simplest form, *some thing that has use.* This is all that is implied in the common form of advertisement "Lost, a Stick, of no value to anyone but its owner": its owner is glad to have it, but no one else would be. Strephon, in *Iolanthe*, learnt the value of fairies, for it is by their help that, as a Member of Parliament, he

> "carries every Bill he chooses . . .
> shewing that fairies have their *uses.*"

Anything, in fact, which has use has value also, and a thing has no value unless it is of *some* use, however trivial. But although a thing which has use has value, it has not necessarily a value which can be calculated. When we learn that something "has a value which cannot be measured in words" we generally find that it cannot be measured in anything else, certainly not in terms of money. "Mr. Fender has the valuable knack of winning the toss," but at how much coin of the realm is this knack to be priced? It has value to Surrey, for it helps them to win matches, and to the journalist, for it gives him "copy," but to neither, nor to Mr. Fender, its real owner, is it a value that can be easily assessed in terms of money. It is, in fact, what the Economists call a "value in use" only. Everything that we care about, everything that we ever make use of, everything in fact that can satisfy a human want has a value.

But when we ask concerning a thing, not "has it value?" but "what is its value?" we find ourselves in quite another world. To assess the value of anything quantitatively means making it a ratio; we must calculate its value in terms of something else, the value of a pipe, say, in shillings,

of a party speech in votes won or lost, and so on. But this is involving something more than the simple relation of you and the thing you value ; it is bringing in the world's estimate as well, and here, of course, extraordinary complications come in. The man to whom a day at the Olympia Motor Show has " supreme value " will probably not " have much use for " a pleasant pastoral scene, and this in turn will have a different value for the artist and for the ordinarily appreciative tourist who is not an artist. For convenience, our estimate of such things as can be quantitatively assessed is usually made in terms of money, regardless of whether they are as a matter of fact being put up for sale or not : if their value is to be expressed in money at all it must be expressed in terms of what it *would* fetch if it *were* up for sale. Value is therefore not the same as price, since on the one hand, only things which are actually for sale have prices, and on the other hand a thing's value, as we estimate it to ourselves, may often be a good deal more or less than its market price. Such phrases as " good value for money," or " I didn't get anything like its value for it " illustrate the simple fact that we obstinately continue to put our own estimate on to a thing and call it value, whether or no this corresponds to other folk's opinion, which is represented by the price they are prepared to pay. But if we want to get behind our own individual valuations, and merge our estimate in that of other people, we can only do so by finding out what they would be prepared to give in exchange for the article, and as exchange of goods usually takes place not directly (by barter) but through the medium of money, the estimate usually takes the form of a money calculation : in other words we estimate a thing by its *Exchange Value*, and this *Exchange Value* we usually express in terms of

money. A *value in use* is purely subjective: it cannot be calculated in money, for it takes two to make a bargain, even an unfair bargain, and the *Exchange Value* of a thing is, therefore, roughly speaking, its price.

In trying to produce any kind of social analysis we must keep in front of us then these three conceptions; *use value*, which is purely subjective, the same thing having probably a quite different use value to Mr. A., Mr. B., and Mr. C.; *exchange value*, which is the only way in which *use value* can be measured objectively; and *price*, which, allowing for occasional variations caused by special circumstances, may be taken to be on the whole the market form of *exchange value*. If we can get at the way in which these forms of value arise or are created, we shall also get insight into the economic relations of Labour and Capital. What theories, then, did Marx construct, and to what extent are they valid?

Marx begins in a way with which no one can quarrel. On page 1, of part i., of vol. i. of *Capital* we are told that "a commodity is, in the first place, a thing outside us, a thing that by its properties satisfies human wants of some sort or another."[1] Next, on page 2, we learn that "the utility of a thing makes it a use-value." Use-values are, in addition, "the material depositories of exchange values." But on page 3, we come more closely to grips with the question, what exactly creates an exchange value? "Let us take two commodities, *e.g.* corn and iron. The proportions in which they are exchangeable, whatever those proportions may be, can always be represented by an equation in which a given quantity of corn is equated to same quantity of iron: *e.g.* 1 quarter corn $= x$ cwt. iron.

[1] The quotations all through are from the authorised English translation, edited by Engels (International Library).

What does this equation tell us? It tells us that in two different things—in 1 quarter of corn and x cwt. of iron—there exists in equal quantities something common to both. The two things must therefore be equal to a third, which in itself is neither the one nor the other. Each of them, so far as it is exchange value, must therefore be reducible to this third." And on page 4 we find out both what is not and what is this common property to be found in all commodities, and by which their exchange value is determined. "This common 'something' cannot be either a geometrical, a chemical or any other natural property of commodities. Such properties claim our attention only in so far as they affect the utility of those commodities, make them use-values. But the exchange of commodities is evidently an act characterised by a total abstraction from use-value. Then one use-value is just as good as another, provided only it be present in sufficient quantity . . . as use-values commodities are, above all, of different qualities, but as exchange-value they are merely different quantities, and consequently do not contain an atom of use-value. If then we leave out of consideration the use-value of commodities, they have only one common property left; that of being products of labour." This has all seemed very convincing, but we should be foolish to accept it and push on to the next page (even though we see something exciting about "crystals" coming) until we are quite sure that we are satisfied with the argument as developed thus far: and are we? To begin with, we do not mind Marx being somewhat algebraical; he has at any rate spared us the Differential Calculus which some economists consider indispensable, but there is in his reasoning something rather scholastic, reminiscent of Abelard or St. Thomas Aquinas, when he disputes about

the properties of things, and makes his metaphysical abstractions, and looks almost as if he was going to involve us in a controversy about the Reality of Universals. But our uneasiness is due to something more than mere dislike of his terminology; we begin to suspect his method. Why does he limit, as he does, the things which have value, and rule out air, virgin soil, natural meadows, etc.? Why does he so readily exclude value in use as irrelevant to the discussion? Are we not right in thinking that this purely negative method of proof ("it is not *this* so it must be *that*") is only satisfactory when we can assure ourselves that all other possible competitors have been considered. But here, clearly, they have not: the part, for instance, played by scarcity, or by psychological factors in creating value, the motives which actuate production, and so on, are ignored. "He acts as one who, urgently desiring to bring a white ball *out* of the urn, takes care to secure this result by putting *in* white balls only." [1]

It is not true that a thing "can be a use-value without having value whenever its utility to man is not due to labour." Purely natural objects, which labour has taken no part in producing, can have exchange value, because of their potentialities when labour is applied to them in the future; for instance, a Mesopotamian oil-well, as business men are ever ready to explain to politicians.

Moreover it is quite wrong to rule out use-value on the ground that "one use-value is just as good as another, provided only it be present in sufficient quantity." It is true that for purposes of exchange, the particular form which the use-value takes can be disregarded (*i.e.* whether it is food or clothing or books, etc.) but it is a pure

[1] Böhm-Bawerk (English Translation), *Karl Marx and the Close of His System*, p. 134.

confusion to make this a reason for ruling out use-value *as a whole* as the possible source of exchange-value. It is true that if I am just as anxious to get hold of a bicycle as I am of a new suit of clothes (the use-value being therefore present in equal amounts in each) the price I pay will not be affected by the question of which article I actually buy in the end: it does not matter for purposes of exchange-value what species of utility the article possesses (whether it is useful in getting about the streets or in clothing one's nakedness). But use-value of some sort there must be. Utility may quite likely not be the only cause of exchange-value: it at any rate deserves more consideration than Marx gives it as a possible rival to inherent Labour as the third element equating two commodities, and no other competitor is given any consideration at all.

(3) *Value and Labour-Time*

But let us now get on to the crystals; they appear at the end of a rather difficult passage: the use-value of the commodities has been left out of consideration, and "there is nothing left but what is common to them all: all are reduced to one and the same sort of labour, human labour in the abstract.

"Let us now consider the residue of each of these products; it consists of the same unsubstantial reality in each, a mere congelation of homogeneous human labour, of labour power expended without regard to the mode of its expenditure. All that these things now tell us is, that human labour-power has been expended in their production, that human labour is embodied in them. When looked at as crystals of this social substance, common to them all, they are—values." This passage also is scholastic in its

form, and does not really explain the exchange value of the goods. That " human labour-power has been expended in their production " is true enough ; that it is this " social substance common to them all " which makes them into value is less obvious. A new, and serious, difficulty has arisen, which Marx himself recognised. He first continues his argument by saying " A use-value, or useful article, therefore has value only because human labour in the abstract has been embodied or materialised in it. How, then, is the magnitude of its value to be measured ? Plainly, by the quantity of the value-creating substance, the labour contained in the article. The quantity of labour, however, is measured by its duration, and labour-time in its turn finds its standard in weeks, days, and hours." He goes on from this to an obvious objection, which he states simply and intelligibly, but which he counters with an answer which is less clear and obvious, both in form and substance. " Some people might think that if the value of a commodity is determined by the quantity of labour spent on it, the more idle and unskilful the labourer, the more valuable would his commodity be, because more time would be required in its production." To which the answer given is " The labour, however, that forms the substance of value, is homogeneous human labour, expenditure of one uniform labour-power. The total labour-power of Society, which is embodied in the sum total in the values of all commodities produced by that Society, counts here as one homogeneous mass of labour-power, composed though it be of innumerable individual units." The word " Labour " it seems is scarcely less ambiguous than the word " value " and requires as much definition and explanation. Marx is not here going into the question whether brain work and organising ability are to count as " Labour "

or whether the word is to be confined to manual work, but he is trying to meet the natural objection that different kinds of labour vary in nature and are difficult to equate with one another (*e.g.* the labour of the tinker compared with that of the tailor or the candlestick maker), while within each trade or craft the most efficient worker will take the least time over his work, which should therefore, according to Marx's argument, be of less value than that of his less skilful colleagues. But this is clearly ridiculous, and so Marx gets rid of these individual variations (which are, as a matter of fact, supremely important) by averaging out the "total labour-power of society" into an equal number of units, for "each of these units is the same as any other, so far as it has the character of average labour-power of society, and takes effect as such; that is, so far as it requires for producing a commodity no more time than is needed on an average, no more than is socially necessary. The labour-time socially necessary is that required to produce an article under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time." But a new point now arises, for in the very next sentence Marx suggests that it is not "normal conditions" and "average skill" which count so much as the *minimum time* required for the production of an article: "the introduction of power-looms into England probably reduced by one-half the labour required to weave a given quantity of yarn into cloth. The hand-loom weavers, as a matter of fact, continued to require the same time as before; but, for all that, the product of one hour of their labour represented after the change only half an hour's social labour, and consequently fell to one-half its former value." This is indeed expressly stated elsewhere; "it is important to insist upon this

point, that what determines value is . . . the minimum time in which it is susceptible of being produced."[1] Thus, in the previous example, the minimum time was the time which would be taken by power-loom; this was all the time that was socially necessary, and those who clung to the old hand methods only got half-value for actual time expended. What kind of labour-time then is Marx talking about, is it "average" or is it "minimum"? He has given us authority for both, and in the third volume of *Capital* he suggests that it is neither, but rather *maximum*:[2] for he tells us that agricultural produce is regulated in value by the *worst* soils, which would imply that those which require most time to make them productive (to compensate for their inherent poverty) are just those which set the standard of value for the whole. We are therefore not altogether clear exactly to what we are being committed when we are told that "we see then that that which determines the magnitude of the value of any article is the amount of labour socially necessary, or the labour-time socially necessary for its production."[3] And at the very end of this first chapter (two pages further on) yet another complication is introduced: after being reminded that an individual use-value (appreciated by one person alone) is quite different from a social use-value (which would be a value in exchange) we are told that "nothing can have value without being an object of utility. If the thing is useless, so is the labour contained in it: the labour does not count as labour, and therefore creates no value."[4] And so utility, previously hounded out with contempt, is grudgingly allowed to come back and count for something after

[1] *Misery of Philosophy* (English translation, Quelch), p. 39.
[2] *Capital*, vol. iii. cap. 39.
[3] *Capital*, vol. i. p. 6.
[4] *Capital*, vol. i. p. 8.

all. If it does not create value, it is at any rate indispensable to the existence of value.

Marx has anticipated our grumble that we are still not clear as to what socially necessary labour consists of, because a few pages further on (in the Second Chapter) he reverts to the difficulty of equating skilled and unskilled labour, and decides that "for simplicity's sake we shall henceforward account every kind of labour to be unskilled, simple labour," [1] not because there is no such thing as skilled labour, for obviously there is, but because "skilled labour counts only as simple labour intensified, or rather as multiplied simple labour, a given quantity of skilled labour being considered equal to a given quantity of simple labour." This procedure sounds rather arbitrary and high-handed: but since the value of an article depends, according to Marx, on the labour-time socially necessary to produce it, it is obviously extremely important that we should know exactly what ratio skilled holds to unskilled labour. If, for instance, in painting his "Last Duchess"

> "Fra Pandolf's hands
> worked busily a day, and there she stands,"

for how many days would a totally unskilled labourer have to work to produce a commodity of the same value? Marx has his answer for us, "the different proportions in which different sorts of labour are reduced to unskilled labour as their standard, are established by a social process that goes on behind the backs of the producers, and, consequently, appears to be fixed by custom." [2] Fra Pandolf and the unskilled labourer would, as producers, probably have preferred this social process to go on before their faces, not behind their backs, because they have a shrewd

[1] *Capital*, vol. i. p. 12. [2] *Capital*, vol. i. p. 12.

and not unjustified suspicion that it is a piece of quite unnecessary mystification, which leaves the question exactly where it found it. There is not, and cannot be, any fixed rate for "multiplying" unskilled labour into skilled. You can only compare the amount of "socially-necessary labour" present in two commodities by bringing them to market and seeing what each will fetch: for if labour determines value, and value and price are usually equivalent,[1] the commodity with the more "socially-necessary labour" in it will fetch the higher price: but then, what is the price when you have got it? It is merely the monetary form of the article's value. Value, then, is value—which we had guessed before.

[1] And this as "ultimately" true, is accepted by Marx. *Vide* vol. i. pp. 144 and 528.

CHAPTER VI

SURPLUS-VALUE AND THE "GREAT CONTRADICTION"

(1) *The Creation of Surplus-Value*

LEAVING aside for the moment any better explanations of the workings of value (which incidentally will help to shew up the inadequacy of the Marxian theory), we will follow Marx in his analysis, and see how value leads on to surplus-value. Chapters six to twenty-two of the first volume of *Capital* are taken up with watching "our friend Moneybags" develop from an embryo capitalist into a full capitalist, because "he is so lucky as to find, within the sphere of circulation, in the market, a commodity whose use-value possesses the peculiar property of being a source of value, whose actual consumption, therefore, is itself an embodiment of labour, and consequently a creation of value. The possessor of money does find on the market such a special commodity in capacity for labour or labour-power."[1] "Capital can spring into life only when the owner of the means of production and subsistence meets in the market with the free labourer selling his labour power.[2] And this one historical condition comprises a

[1] *Capital*, vol. i. p. 145.

[2] And with nothing else to sell but his labour-power, as Marx is careful to point out.

world's history. Capital therefore announces from its first appearance a new epoch in the process of social production." [1] "The value of labour-power is determined, as in the case of every other commodity, by the labour-time necessary for the production, and consequently also the reproduction, of this special article." Marx goes on to shew clearly that this involves the labourer obtaining by his labour-power the means of subsistence adequate for himself (according to the customary standard of the country and period),[2] and also for the bringing up of a family, so that the labour-power eventually withdrawn by his death may be replaced by an equal amount at least. "Our friend Moneybags" is at first disappointed with his bargain: "our capitalist stares in astonishment. The value of the product is exactly equal to the value of the capital advanced . . . no surplus value has been created," in other words, "the value of the product is merely the sum of the values of the commodities that were thrown into the process of production": ten shillings' worth of cotton, two shillings invested in spindles, and three shillings paid for labour power have only produced spun yarn worth fifteen shillings, and there is no surplus value. But the education of the capitalist has only just begun. Assume that a half-day's labour produces the necessaries of life as daily required on an average by the labourer, and that the cost of this is three shillings, which is what the capitalist paid him: the value added to the cotton by spinning it into yarn

[1] *Capital*, vol. i. pp. 148-9.

[2] This is important. Marx did not, as his critics sometimes allege, hold that wages were driven down to the level of bare subsistence. This "Iron Law" must be attributed rather to Lassalle. Marx was always careful to bring in "the customary standard" of the country concerned, and admitted that this might be some way above the level of bare subsistence.

was also naturally the value of this half day's labour *i.e.* three shillings. But why be content with the labourer only working the amount of time required to produce the value of his own subsistence: why not make him work longer and produce some extra value, surplus-value? for there is this peculiarity enjoyed by labour as against other commodities, that it can produce more value than it has itself; the value of an ordinary commodity is the labour-time socially necessary for its production and no more: but labour not only covers its own cost of production (subsistence, etc.) but creates more value also, and the capitalist has bought his *whole* working capacity, not a portion merely. "The fact that half a day's labour is necessary to keep the labourer alive during twenty-four hours does not in any way prevent him from working a whole day. . . . our capitalist foresaw this state of things, and that was the cause of his laughter." [1] Incidentally we may well have some hesitation in accepting the hypothetical relation of six hours to twelve hours, six hours in which the labourer reproduces his own cost of living, and six more when he produces surplus-value for the capitalist: even if we granted the general accuracy of the theory we should not be prepared to grant these particular proportions: they are grossly improbable, and entirely conflict with Nassau Senior's theory (eagerly embraced by Marx for other purposes) that the last hour's work is what brings in the profit. Marx is admittedly taking hypothetical figures only, but figures so wide apart as six and twelve were undoubtedly assumed with a view to creating prejudice. He is far more effective in his detailed description of the way in which as a matter of history the capitalist tried to extend the limits of the working day, and of how "all

[1] *Capital*, vol. i. pp. 174, 175.

bounds of morals and nature, age and sex, day and night were broken down. Even the ideas of day and night, of rustic simplicity in the old statutes, became so confused that an English judge, as late as 1860 needed a quite Talmudic sagacity to explain 'judicially' what was day and what was night. Capital celebrated its orgies." [1]

This, then, is how the capitalist derives his profits, which do not come equally from every sort of capital. Capital is only labour-power, either dead or alive, and "constant" capital is that which is invested in raw material, machinery or other plant, all of which are themselves the products of dead labour-power; this kind of capital can do no more than reproduce itself; the value produced will equal the value consumed in the process of production: no profit or surplus-value is therefore created. But "variable" capital, the portion of capital invested in labour-power, can produce something in addition. "By turning his money into commodities that serve as the material elements of a new product, and as factors in the labour-process, by incorporating living labour with their dead substance, the capitalist at the same time converts value, *i.e.* past, materialised and dead labour into capital, into value big with value, a live monster that is fruitful and multiplies." [2] The relation surplus-value bears to variable capital will determine the *rate of surplus-value*, while the general *rate of profit* will be determined by the relation between surplus-value and the total capital invested (both constant and variable).

There are certain preliminary criticisms to be made of all this, before we come on to the main ground of objection, what is known often as "the great contradiction." In the first place, although the ability of the organiser is

[1] *Capital*, vol. i. p. 264. [2] *Capital*, vol. i. p. 176.

not entirely left out by Marx (as Mallock would have us believe), its scope is confined to the supervision of the work of the manual labourers. "All combined labour on a large scale requires, more or less, a directing authority, in order to secure the harmonious working of the individual activities, and to perform the general functions that have their origin in the action of combined organism, as distinguished from the action of its separate organs. A single violin player is his own conductor; an orchestra requires a separate one." [1] "An industrial army of workmen, under the command of a capitalist, requires, like a real army, officers (managers) and sergeants (foremen, overlookers) who, while the work is being done, command in the name of the capitalist. The work of supervision becomes their established and exclusive function." [2] These extracts (and they are the ones usually relied on to combat the view that Marx ignored directive ability), [3] do not take us very far. The manager has his share in the exploitation of labour, but none of the value created in a manufactured commodity is allowed to be due to skill in procuring the raw material, power of organising a good market for the sale of the finished article, and so forth.

In the next place, what room is allowed for the action of competition? It might have been thought that competition would bring the price down, and in place of a surplus-value checked only by the limits of the possible working day, substitute a rate of profit based more directly on cost of production and interest on capital. To competition, as a collective name for all the psychological motives and impulses which determine the action of dealers in the market, Marx is determined to allow as little weight

[1] *Capital*, vol. i. p. 321. [2] *Capital*, vol. i. p. 322.

[3] *E.g.* de Leon, *Marx on Mallock* (Socialist Labour Party, Glasgow).

as possible. But in the Tenth Chapter of the Third Volume a peculiar position is given to competition : it is represented as at one and the same time pushing the price of commodities *towards* their " values " and pushing the price of commodities *away* from their " values " and on to their cost of production !

If little influence is allowed to competition, still less is allowed to the time-process. " In determining the value of the yarn, or the labour-time required for its production, all the special processes carried on at various times and in different places . . . may together be looked on as different and successive phases of one and the same process. The whole of the labour in the yarn is past labour ; and it is a matter of no importance that the operations necessary for the production of its constituent elements were carried on at times which, referred to the present, are more remote than the final operation of spinning " [1] And yet the time element is included in cases where it favours the capitalist : " in every country in which the capitalist mode of production reigns, it is the custom not to pay for labour-power before it has been exercised for the period fixed by the contract, as for example, the end of each week : in all cases, therefore, the use-value of the labour-power is advanced to the capitalist : the labourer allows the buyer to consume it before he receives payment of the price ; he everywhere gives credit to the capitalist." [2] Why is not this also " a matter of no importance," and why are not the six days during which labour-power is advanced without payment merely looked on as " different and successive phases of one and the same process " ?

Marx himself, even in the First Volume, allowed, perhaps unwittingly, a " new power, namely the collective power

[1] *Capital*, vol. i. p. 168. [2] *Capital*, vol. i. p. 153.

of masses," to count in the creation of surplus-value. Usually, of course, surplus-value is the difference between the value of the labourer's product and the amount it costs to keep him alive. But now this alternative suggestion is thrown out, but not stressed: the labour-power of individuals separately and the collective labour-power of these individuals working together is not the same. "The Capitalist, instead of buying the labour-power of one man, buys that of 100, and enters into separate contracts with 100 unconnected men instead of with one. . . . He pays them the value of 100 independent labour-powers but he does not pay for the combined labour-power of the hundred. . . . Co-operation begins only with the labour process, but they have then ceased to belong to themselves. On entering that process, they become incorporated with Capital. . . . The productive power developed by the labourer, when working in co-operation, is the productive power of Capital . . . because this power costs Capital nothing, and because, on the other hand, the labourer himself does not develop it before his labour belongs to Capital, it appears as a power with which Capital is endowed by Nature—as a productive power that is immanent in Capital."[1] By being organised and made to work together, instead of as individuals, the labourers have in the mass developed additional labour-power, and therefore additional surplus-value. But this is something quite different from what may be called the main Marxian idea of surplus-value arising from the difference between the individual labourer's cost of subsistence and the value of the product of his labour.

[1] *Capital*, vol. i. pp. 323-4.

(2) *The Great Contradiction*

And now at last we come to " the great contradiction." The " surplus-value " theory has never been in a very strong position, since it rests absolutely on the *labour* theory of value, which we have already seen to be full of difficulties: and now the *surplus*-value theory is found to have serious difficulties of its own, in particular as regards the rates of profit. We have seen that only variable capital, capital invested in labour-power, can bring in surplus-value: it follows from this that a business where a large proportion of the capital is variable and only a small proportion constant will produce more surplus value and greater profits than a business with the same amount of capital, but where the proportions as regards constant and variable capital are reversed. If a business uses a constant capital of £50 and a variable capital of £450, and if the surplus-value on the variable capital is 100 per cent., the capitalist will receive £450 on a total invested capital of £500 (£450 and £50), amounting to a profit of 90 per cent. But if another business also with a capital of £500 has the proportions reversed, so that only £50 is variable and £450 constant (while the rate of surplus-value remains 100 per cent. as before) the surplus-value is only received from the variable capital, and therefore amounts now to £50; which is therefore the total profit received from the £500 capital invested, making a profit of only 10 per cent. But as a matter of actual everyday experience, profits do not vary according to the proportion borne by variable to constant capital, but have an average rate, regardless of the exact way in which the capital is composed: and Marx himself admitted that this was so. " Everyone knows that a cotton spinner who, reckoning the percentage

on the whole of his applied capital, employs much constant and little variable capital, does not, on account of this, pocket less profit or surplus value than a baker who relatively sets in motion much variable and little constant capital. For the solution of this apparent contradiction, many intermediate terms are as yet wanted, as from the soundpoint of elementary algebra many intermediate terms are wanted to understand that $\frac{0}{0}$ may represent an actual magnitude." [1] How then is the theory of surplus-value to be reconciled with the fact of average profits? Engels (in the preface to the Second Volume of *Capital* which he edited in 1885, two years after Marx's death) proposed a kind of competition for economists, who were to make their own solutions and "shew in what way an equal average rate of profit can and must come about, not only without a violation of the law of value but by means of it." [2] The answer to the riddle would appear in the Third Volume. Various economic writers (mainly Socialists) were sufficiently interested in the question to put forward their own answers, but the official solution was long delayed, and the Third Volume of *Capital* in the end did not appear until 1894. The solution, thus eagerly awaited, was most disappointing when it appeared, for it to all intents and purposes threw over the labour-value theory altogether, and substituted a very orthodox cost of production theory, which none of the despised "classical economists" need have been ashamed of having produced. The capitalist, it now appears, does not mind what proportion his variable bears to his constant capital, for even if only the former produces surplus-value he is somehow or other going to get the same amount of profit on his total investment whether it is composed of much or of

[1] *Capital*, vol. i. p. 293. [2] *Capital*, vol. ii. p. 28.

little variable capital: "a difference in the average rate of profit in the various lines of industry does not exist in reality, and could not exist without abolishing the entire system of capitalist production." This is what the capitalist requires, and this is also what the buyer finds. Hitherto Marx has told us that the value of an article is in its value in labour, and that it is at this value that articles ultimately sell: we are now told that their "real" value does indeed depend on the amount of labour in them, but that their selling price is quite independent of this, and is determined by what is required to bring in an average rate of profit on the *whole* capital invested (*i.e.* both constant and variable). It is, of course, only natural that this should happen. "Capital withdraws from spheres with low rates of profit, and invades others which yield a higher rate. By means of this incessant emigration and immigration . . . it brings about such a proportion of supply to demand that the average profit in the various spheres of production becomes the same, so that values are converted into prices of production."[1] It does not then seem to matter much what causes the "real" value, if this has nothing to do after all with the price at which the article is ultimately sold, and the elaborate and laboured arguments in the First Volume are all thrown away; the search for the third substance present equally in each of two exchangeable commodities, the congelation of homogeneous human labour, and so on, all are now abandoned.

Various attempts have been made to explain away this apparent change of front. Marx himself considered his law of value to be a working law and when facts seemed to contradict it, he clung on to as much of it as he could; admitting that no single commodity sells at its "real" (*i.e.*

[1] *Capital*, vol. iii. pp. 230-231.

labour-time) value he yet argued that the totality of all commodities is sold at a price which is the sum of all their values. This however is not a very helpful contribution to the discussion. Value has been taken as the measure of exchange between different commodities: it essentially deals with their relations to one another and is meaningless when applied to the whole. The objection is summed up by Böhm-Bawerk as follows: "there can clearly only be a question of an exchange relation between different separate commodities *among each other*. As soon, however, as one looks at all commodities as a *whole* and sums up the prices, one must studiously and of necessity avoid looking at the relations existing *inside of* this whole. The internal relative differences of price do compensate each other in the sum total. For instance, what the tea is worth more than the iron, the iron is worth less than the tea, and vice-versa. In any case when we ask for information regarding the exchange of commodities in political economy, it is no answer to our question to be told the total price which they fetch when taken all together, any more than if, on asking by how many fewer minutes the winner in a prize race had covered the course than his competitors, we were to be told that all the competitors together had taken twenty-five minutes and thirteen seconds."[1] The whole point of a law of value is that it explains how separate commodities are related to one another as regards exchange; if it starts talking about a total of all commodities, with the individual differences averaged out, it is of no use at all.

Engels tried to come to the rescue by suggesting that the Law of Value was true enough, but in practice had ceased to apply under modern conditions: "Marx's law of value" he writes "was generally valid economically from

[1] *Karl Marx and the Close of his System*, p. 72.

the beginning of the period which, through exchange, turned products into commodities *down to the fifteenth century* of our era." [1] And he tries to console himself for the sad fact that the law is no longer valid by pointing out for what a very long period it had been in force. "The exchange of commodities dates from a time anterior to all written records, stretching back in Egypt to a period at least 2,500 and perhaps 5,000 years, and in Babylon 4,000 and perhaps 6,000 years B.C.; the law of value has therefore been in force for a period of from 5,000 to 7,000 years." [1] But to Marx himself even this poor consolation was denied, for he had explicitly ruled it out by stating that each historical period had its own laws, and that this particular law was valid only for the modern world where commodities are produced under the capitalist system and for a highly developed market.[2]

A modern defence has been attempted by Mr. Noah Ablett in his *Easy Outlines of Economics*." [3] He denies that there is any contradiction, because there is all the difference in the world between "producing value" and "receiving profits." "Not Marx but Böhm-Bawerk makes the erroneous statement that commodities, according to Marx, are *sold* at their values, . . . in no place (except when he deliberately *assumes* it) does Marx say that commodities are *sold* at their value." [4] This is special pleading of the worst kind. When Marx, for instance, says "I assume that commodities are selling at their value" (vol. i. p. 528) he is not making a purely hypothetical assumption merely to get the argument started; as though one were to assume,

[1] Engels, *Letzte Arbeit* in *Die Neue Zeit.*, 1896, vol. i. p. 39, quoted by Simkhovitch, *op. cit.* p. 273.

[2] *Capital*, vol. iii. p. 209.

[3] Published by the Plebs League, 1919. [4] p. 89.

"for sake of argument," that the height of a house was fifty feet—without its in the least mattering whether or not that particular figure was true. Marx made the assumption because it seemed to him an obvious and necessary element in the case, and although occasionally he seems to distinguish between price and value, the whole trend of his argument is the other way: for instance "it is true, commodities *may* be sold at prices deviating from their values, but these deviations are to be considered as infractions of the laws of the exchange of commodities." [1]

The theory of value is not a purely academic discussion, but is supposed to explain actual market facts: if it does not in the end explain what actually does take place it is not worth bothering about any more. The apparent contradiction, Mr. Ablett goes on to say, lies in the capitalist system, not in any discrepancy between the earlier and the later theories of value. Examined "in its purity" as a theory the "labour-theory" of value is correct enough, but "in the actual industrial world viewed as a whole" . . . value is seen to be reduced to price of production." In this, he says, Marx is only following out the scientific method of Newton and Darwin. The latter "first examines selection in a pigeon-cote protected by the artifices of civilization. Then and then only, is he in a position to go out into the world and examine selection according to nature with all its disturbances." It is only to be hoped that if the great scientists found out that the theories constructed in the laboratory or pigeon-cote were entirely at variance with the facts of every-day life, they were rather more ready to own themselves wrong than was Marx. He tries at once to abandon his hypothesis and

[1] *Capital*, vol. i. p. 136.

to cling to it: the labour theory of value is right in itself, but the cost of production theory is the one which works in practice! But as a matter of fact Marx never even admits that the labour-theory *is* a hypothesis: he considers it from the beginning as a working explanation of what actually happens.

Marx himself was careful to safeguard himself against any charge of using his labour-theories as the basis of emotional and unscientific denunciation: "it is" he says "a very cheap form of sentimentality which declares this method of determining the value of labour-power, a method prescribed by the very nature of the case, to be a brutal method."[1] But it cannot be denied that, in spite of this specific warning to the contrary, his method of argument, and sometimes his very language, has encouraged his followers to make out a strong moral case against this exploitation of labour for the sake of surplus-value; and the fact that the main part of this theory was avowedly abandoned in the Third Volume of *Capital* has done nothing to prevent this from going on ever since. It is hard therefore not to agree with the critic who writes: "If the esoteric interpretation of Marx is correct, if the theory of value and the theory of surplus-value exploitation are merely hypotheses which do not correspond to reality, the whole popular propaganda of Marxism is built on a sham, and the millions of working-men who have been told by press and platform and platform orator that here was the scientifically-discovered key to all their ills have been fed on an empty scholastic exercise."[2]

[1] *Capital*, vol. i. p. 152. [2] Skelton, *Socialism*, p. 134.

(3) *Cost of Production, Supply and Demand*

But even the watered-down theory of cost of production-plus-average-profits (which must be taken to be Marx's last word on the question of value) is not exempt from certain difficulties, which attend any attempt to explain the problem from the side of *Supply* alone. Mill, after watching the workings of competition, has stated this view in a passage which, except for its simpleness and brevity, might well have been found in the Third Volume of *Capital*: "The cost of production, together with the ordinary profits, may be called the necessary price or value of all things made by labour and capital." But, though it is true that the supply of an article is largely determined by its cost of production, the cost of production of any single article is extraordinarily difficult to determine: it includes obviously the "prime cost," the cost of materials and of labour, but before the "total cost" of production can be arrived at there are certain "overhead charges" to be included, and what proportion of the office expenses, rent, upkeep of plant, and so forth, incurred by the firm throughout the year is to be charged to each single article produced it is well nigh impossible to estimate. Moreover, articles often change their value enormously after they have been produced; a house whose original cost of production was small will acquire great value if the site is urgently required to form part of the premises of a big business firm, or large municipal buildings; while dark-blue favours, however well-made, soon lose their value after Cambridge has won the Boat Race. Thus, too, scarcity often determines the value of an article, as when, for instance, a rare stamp fetches a price out of all

proportion to its cost of production. On the other hand a really useless article will fetch very little, however much it cost to produce. I imagine that the "Folly" Coliseum on the hill above Oban gave employment to much labour and cost a great deal to build; yet its use-value is nil and its exchange-value not much more.

It is hard to avoid the conclusion that other things than cost of production must be taken into consideration, and so we come back again to questions of "utility," and see what is to be said for "demand" as a favour in determining value. The "supply" side has taught us nothing except that what the purchaser is likely to give counts for more than what the article has cost: ordinarily, if the purchaser will not give at least the cost of production, the article will not be put on the market: and whether or no the producer will give this, or any greater price, depends on the utility which the article has for him. But "demand" on the part of the would-be purchaser is not by itself a large factor: the important thing in settling prices is the *co-relation* of demand and supply, and of this relation value is, as Mr. Clay puts it, "the automatic indicator." "If the want for a thing," he says, "grow more intense, its demands rise and therefore its value rises. The higher value induces producers to increase production, the supply is increased until it equals the demand, with the result that the value falls to its old level."[1] "The important influences in determining the value of a thing are the nature of the supply of it—whether subject to increasing, decreasing or constant cost—and the elasticity of the demand for it."[2] Neither demand nor supply by itself explains anything about value: value, supply and demand are all interdependent.

[1] *Economics for the General Reader*, p. 295. [2] *Ibid.* p. 294.

For a far more thorough survey than has been possible here of the influence of these factors and the way in which they work in with one another reference should be made to Mr. Clay's two excellent chapters on "Value" (chapters xiv. and xv.). Incidentally, Mr. Clay makes an interesting suggestion when he says that "the three historical theories of value reflect the conditions of industry at the times they were formulated." (Marx, it may be said in passing, would thoroughly have approved of this co-relating of economic ideas and the prevailing structure of industry.) "The Labour Theory explained values fairly well at a time when the division of Labour was simple, and there was little power-machinery and little trade; manual labour was the only important element in the cost of production, and in the narrow markets for which the labourer worked 'allowance' was easily made for 'hardships and ingenuity.'" When methods of production became more complicated, especially by the extensive use of power-machinery, it was felt that Labour alone was not a sufficient explanation, and "cost of production" was substituted; factories were still comparatively simple, and confined to a very narrow range of products, the cost of which could be easily separated and computed. The typical modern firm includes many products in its output, the costs of which cannot always be analysed and computed separately; hence Cost of Production is no longer an adequate explanation of values." [1] It is only the interaction of Supply and Demand which can do this. Marx himself lived in the second of the three periods, and his final view of value (as given in Volume iii. of *Capital*) therefore corresponds exactly with that given above, but, as he was always extracting the present from

[1] Clay, *op. cit.* p. 291.

the past, it is not surprising that to begin with (particularly as he was admittedly trying to study the question in its simplest form), he should have hit on the earliest theory, appropriate to the most primitive period, which had already passed away by the time he started to write.

CHAPTER VII

HISTORICAL MATERIALISM

(1) *Pre-Marxian Conceptions of History*

Marx, we are always being told, invented "Scientific Socialism": "scientific" meant to him the abandonment of purely ethical considerations, questions of sentiment, appeals from "what is" to "what ought to be" and so forth, and the substitution for Utopias of inexorable iron laws. In greater detail, this involves two things, the elaboration of a body of economic doctrine, especially as regards value, which claims to explain without possibility of misunderstanding the existing economic structure of society; and an interpretation of history into which this economic doctrine will fit, explaining the past as well as the present, and forecasting with no less certainty the lines of future development also. It is here really that the greatest strength of Marxism lies. It is something, no doubt, to the harassed worker that he should understand exactly how he is being exploited by his ruthless employer; but it is a great deal more to know that the stars in their courses are fighting on his side, and that the eventual triumph of the proletariat is as certain as is next morning's sunrise; furthermore, to be assured that this triumph does not belong to a far-distant future, but comes

nearer and nearer the more intolerable becomes the oppression of the capitalistic régime.

It is thus not without reason that the "materialistic conception of history" has been hailed as the cornerstone of the Marxian edifice, for so indeed it is. We have seen it already, in the Communist Manifesto of 1848 (*vide* p. 20), but it is to be found everywhere and at all times, and lies at the back of everything that either Marx or Engels ever wrote. The title, as a matter of fact, is an unfortunate one (*vide* next chapter p. 126) but the meaning is clear enough. History is to be viewed as a continuous process of evolution,—(unwinding) and continuous change; not mere haphazard events, actions and reactions, risings and fallings, growth and decay, without any underlying principles to connect one phase with the next and explain the whole process. The truth is far other than this, and it is in the economic life of mankind that the explanation of all history is to be found. "In every historical epoch the prevailing mode of economic production and exchange, and the social organisation necessarily following from it, forms the basis upon which is built up (and by which is explained) the political and intellectual history of that epoch." But before enquiring into the validity of this, and all that it implies, it is worth stopping for a moment to compare it with other, and earlier, conceptions of history.

What, then, has been the attitude adopted to history? What has it been thought to be, and which aspects of it have been most emphasised? To begin with, of course, history is the telling of a tale, and some element of story-telling it must retain, or we shall cease to be attracted by it. But what is the tale to be about? Some of the best stories are the most homely, but they are not the ones which appeal most to children, who thirst ever for heroic

adventures; and in the same way, in the childhood of the world, it is the tremendous personalities and the exciting episodes which gain most attention. And so we get the Iliad and Beowulf long ago, and Little Red Ridinghood and the like to-day. But it is the narrative in the fairy tales which attracts: a study of the home life of Red Ridinghood, however accurate, would make no appeal by itself; she has no interest for us until she meets the wolf, who is the real, though nameless, hero of the tale. In the same way the Iliad and Beowulf, and other early epics and histories, were valued for centuries purely as stories, and not in the least as records of the life and manners of the age, still less as "the unfolding of the Idea," or the working out of irresistible economic tendencies. It is not surprising, therefore, that there came first of all what may be called the "dynastic conception of history," where wars and changes of rulers, alliances and treatics of peace, gain and loss of territory figured so prominently as to exclude all else, where "great men" counted for much and the "common folk" for nothing at all. This view of history fitted in very well with a feudal or semi-feudal state of society, and its most charming exponent is Froissart. The "common folk" existed as much then as now, and the pageant of history depended then as now on material conditions; but this latter fact was much less clearly observed in the simple, unspecialised economic development of the times, while the "common folk" counted for so little in shaping history that it is not surprising that they were omitted from its records.

But the Middle Ages end, and the children grow up, and an exciting tale, even a fairy-tale, ceases to charm as once it could. The growing lad wants to know, not "what happened next, who married the princess?" but "how is

this or that made, and how does it work?" The people of the nineteenth century in like manner were no longer contented with the mediaeval view of history or the modified form of it which had survived into the eighteenth century when Dr. Johnson considered history as a mere kind of almanack-making. They wanted to know the workings of the world in which they lived, and as their view of society was essentially political, so their conception of history was political also. It was only natural that the age which saw the passing of the great Reform Bill and its subsequent extensions should be anxious to deal primarily with constitutions and with the growth of English political liberties. Hallam is a good example of the historians of this school, and Hallam of set purpose would not write of anything later than the accession of George III. He was keenly interested in the constitutional development of the English people, and yet was unwilling to bring his history into too close a connection with contemporary events. Macaulay is a yet better illustration of the strength and weakness of this tendency. He talked of history as "a compound of poetry and philosophy," which "imposes general truths on the mind by a vivid representation of characters and incidents." But he was more modern than Hallam, inasmuch as he allowed more place to social and economic factors. The third chapter of his *History* is justly famous for its brilliant descriptions of the internal condition of England during the reign of Charles II. And yet much is left out even of this third chapter, and of the rest of the book, which would certainly be included in any modern work dealing with the same period as comprehensively and in as much detail. There is much about Clarendon, but little about Colepepper: much about Toleration and the Conventicle Acts, but little about the Poor Law or the

Navigation Acts or the development of Insurance.[1] Macaulay is not so far removed from the eighteenth century historians after all. Carlyle penetrated far deeper into the lives and minds of the common people, and it was a significant day when J. R. Green decided to call his book *A Short History of the English People*. But even here we have not got very far. It is only by slow degrees that economic factors came to be allowed their due place. Green gives a certain amount of the social life of the people, but not much accurate information of a more strictly economic kind. As a serious subject of study, economic history dates only from the last quarter of the nineteenth century; Thorold Rogers at Oxford and Archdeacon Cunningham at Cambridge are its real fathers, although, of course, a few books on special aspects of economic life existed earlier. How modest were the claims even of Thorold Rogers may be seen from the fact that, in beginning his lectures on the economic interpretation of history, he said no more than, "I think I shall be able to shew that very often the cause of great political events and great social movements is economical, and has hitherto been undetected." But since the publication of Cunningham's *Growth of English Industry and Commerce* in 1882 things have moved fast, and the economic historians of to-day are making a very creditable show. But, of course, even so the study of economic history does not necessarily involve a purely economic interpretation of history. Furthermore, the specialisation which has become necessary owing to the vast quantity of materials to be handled brings with it the danger that the historian will lose his sense of proportion and over-emphasise

[1] A reference to such a book as W. R. Scott's *Joint Stock Companies* will give an idea of the vast amount of material which a historian *might* make use of in illustration of seventeenth century social life.

the importance of the particular aspect of history on which he himself is working.[1]

There are, therefore, three main stages which can be traversed. In the first, economic and social events are either ignored altogether or put away in a minor place (perhaps in an appendix at the end of a book), or the writer considers that honour is satisfied if he throws in a casual remark to tell us that in the sixteenth century the roads were very bad, or that in the Middle Ages folk went to bed without nightgowns. The second stage gives a larger part to the economic element in History; whole books will be written dealing with the social side, great movements will be shewn almost without exception to have an economic element figuring prominently among their various causes, and any historical description or explanation which left out this aspect would be considered grotesquely onesided. The third stage is to go much further still, and allow economic causes alone to count. The religious, literary, military, indeed every other aspect than the economic, is but a pale reflection, determined entirely by the economic structure of the time.

Where then does Marx come in? To begin with, undoubtedly, he held the extremest view, and said so in so many words. "In the social production which men carry on they enter into definite relations (with one another) that are indispensible and independent of their will. . . . The sum total of these relations of production constitutes the economic structure of society—the real foundation, on which rise legal and political superstructures and to

[1] For an animated defence of the story-telling aspect of history, see G. M. Trevelyan, *Clio a Muse*, and *The Muse of History*, a charming essay by Augustine Birrell (*Obiter Dicta*, 2nd Series). A more elaborate discussion will be found in R. H. Gretton, *History* (The Art and Craft of Letters Series).

which correspond definite forms of social consciousness. The mode of production in material life determines the general character of the social, political and spiritual processes of life. It is not the consciousness of men that determines their existence, but, on the contrary, their social existence determines their consciousness." [1] History does not only have an economic background: background, foreground and middle-distance all alike are economic. But this was a position from which Marx afterwards receded, or rather, from which Engels afterwards receded on his behalf.

Marx all through was the child of his age, a precocious and exasperating child, no doubt, priding himself like David on being "wiser than his teachers" (though not for the same reason), but his line in everything was to take the position of such of his immediate predecessors as seemed to him most reasonable, and then go one better. This was what he did with Hegel and Feuerbach over philosophy, and he did it with Montesquieu and Buckle (and, again, Hegel) over history.

How far had these others got? Hear Hegel first. "States, peoples and individuals are established upon their own particular definite principle, which has systematised reality in their constitutions, and in the entire compass of their surroundings. Of this systematised reality they are aware, and in its interests are absorbed. Yet are they the unconscious tools and organs of the world spirit, through whose inner activity the lower forms pass away. Thus the Spirit by its own motion and for its own end makes ready and works out the transition into its next higher stage.[2] . . . Hence to each nation is to be ascribed a single principle. To the nation, whose natural principle

[1] Preface to *Critique of Political Economy*, Ed. Stone, pp. 11, 12.

[2] Hegel, *Philosophy of Right*, trans. Dyde, § 344.

is one of these stages, is assigned the accomplishment of it through the process characteristic of the self-developing, self-consciousness of the world-spirit. In the history of the world this nation is for a given epoch dominant, although it can make an epoch but once. In contrast with the absolute right of this nation to be the bearer of the current phase in the development of the world-spirit, the spirits of other existing nations are void of right."[1] Put in simpler words, this means that there is a process of evolution in history, and change and progress are continual. Each nation has to make its own special contribution to civilisation, and at any given moment the contribution of one particular nation will be so important as to justify it in having a supremacy, in every branch of life, over all other nations. There is nothing here specifically economic, but Marx was very much impressed with the idea of continuity, of history (as Hegel said elsewhere) not being "a wild whirl of senseless deeds of violence, but the record of the unfolding of the Idea." A final cause, Marx agreed, must be found, but this impelling motive force he discovered, not as Hegel did in the abstraction "the idea," but in the economic conditions in which men are placed at any moment in the world's history. Here he found himself fitting in more with the writers who emphasised the importance of geographical environment on national life and character, and thence on world-history. This view (to be found to some extent in Aristotle) had been elaborated considerably by the French political writer Bodin in the middle of the sixteenth century. He had tried to detect, for instance, the effect produced on races so fundamentally alike as the Dutch and English by differences of diet, consisting in the main of fish on the one hand and meat

[1] Hegel, *Philosophy of Right*, § 346, 7.

on the other. In the same way Feuerbach, in Marx's own time, had said "we are what we eat," making, in German, a mild pun as well as a mild epigram. So far we are dealing only with a healthy reaction against the unhistorical theories of the eighteenth century, with their idea of a golden age from which Man had lapsed but to which he might at any moment return if he would only obey the instincts planted by Nature in each human heart. The French Revolution, in particular, had encouraged this attitude of mind, with its constant claim that political societies had taken their rise from a definite, consciously-embarked-on contract made centuries ago between rulers and ruled in each community. As against this, De Maistre in France and Burke in England had no difficulty in shewing that the form political institutions had taken (and indeed the very existence of any political society at all) was due to the natural growth of peoples and the character and conditions of folk in different ages. Actuated less than the two foregoing by immediate political considerations and more by scientific study, Montesquieu in the eighteenth and Buckle in the nineteenth century worked out the influence of geography and climate on the development of a nation or period of history. All this Marx would be ready to endorse as a half-way house towards his own position, and this application of the "historical method" was carried still further (especially in Germany), in the legal sphere by Eichorn and Savigny, and in the economic by the important trio Knies, Hildebrand and, last and greatest, Roscher. All these, in their various departments, protested against assumptions based on an alleged past for which no evidence could be produced, and preferred to have as a substratum for their theoretical edifice only what history could prove to have existed.

Marx therefore had behind him :

(i) abundant authority for interpreting the present by a past which could be definitely and reliably ascertained, and not merely constructed out of *a priori* assumptions or unhistorical imaginings ;

(ii) a tradition for regarding the past not as a haphazard assortment of unintelligible and disconnected events, in which wars and dynasties claimed chief attention, but as a chain of causes and effects, which could for the most part be readily discovered ;

(iii) a considerable body of weighty opinion affirming causes to lie mainly in the material environment of a community at any given time, but interpreting material environment usually as geography and climate. It was quite in accordance with this attitude that Marx himself tracked down the study of astronomy in the first instance to the agricultural necessity for measuring the Nile's flow.

(2) *The Materialistic Conception of History*

The important changes in history, according to Marx, are not those of dynasty or constitution, but of technical processes of industry, or of nature producing similar alterations. Social life, and all that hangs therefrom, depends on material conditions ; if these change, social life changes too. And technical alterations count ordinarily for most. The great changes of nature usually affect only one part of the world ; thus if the Nile had in early days changed its course, one district would have gained economically while another lost, but the sum total of wealth would not have

altered. Or if the change were overwhelmingly great and universal, it would affect all men alike, and not merely produce changes in the relation of man to man or class to class. Thus, to imagine an extreme case, supposing that all knowledge of the use of fire were suddenly to disappear, capitalist and wage-earner alike would be overwhelmed in the common catastrophe. But a change in actual technical processes of production, though it will be universal inasmuch as it will affect all the world alike (or at any rate all that part of the world which is economically equally advanced) and not one nation alone, yet in each single nation will produce very great effects on social relationships, to the advantage of some and disadvantage of other classes within the community. "In acquiring fresh productive forces, men change their mode of production, and in changing their mode of production—the way of getting their livelihood—they change all their social relationships. The hand-mill will give you society with the feudal lord (suzerain): the steam-mill will give you society with the industrial capitalist": [1] these changes of social relationships, depending on changes in the technical processes of production, bring with them also changes in current ideas and the manner of thinking. "The same men who establish social relationships corresponding to material methods of production, produce also principles, ideas, classifications corresponding to their social relationships, and such ideas are as little permanent as are the social relationships which they mirror. They are the results of history, and are transitory." [2] In all this, Marx is seen to be purposely going beyond the Montesquieu-Buckle school, with their emphasis on geographical environment, the

[1] Marx, *Misery of Philosophy* (French edit., 1847), p. 99.

[2] *Ibid.* p. 100.

influence of soil and climate, etc. He is taking pains to bring in technical processes as well as natural conditions, and elsewhere[1] he makes it abundantly clear that the whole technique of production and of transportation is to be included.

But, Marx goes on, if history is the record of changes in methods of production, it is also the record of class-struggles, for men are actuated in the first instance by motives of material self-interest, and have always found themselves grouped together in accordance with the economic conditions under which they live. Thus in the Roman Republic (to go no further back) we find Patricians opposed to Plebeians; and although subsequently individual Plebeians often became extremely rich, there was always at Rome a clearly marked line between rich and poor (even among the free citizens), the rich becoming ever richer owing to their vast landed possessions in Italy, their control of the foreign (mainly Egyptian) supplies of corn, and, in many cases, their ruthless extortion of the subject "provinces," which they administered as Colonial Governors, while the poor were only kept from rebellion by doles of bread and gratuitous spectacles (gladiatorial shows, circuses, etc.). Here, clearly, there were differences of class-interest even if they did not take the form of conscious class-warfare.

In the Middle Ages, the distinction of classes was even more marked: feudal lords were opposed to vassals, and they again to serfs, and this is what one would naturally expect from a system in which land is the only important economic factor: when Capital gets slowly introduced, an additional set of antagonisms becomes visible, and masters and journeymen waged a contest based on differences of wealth and opportunity. These classes, said

[1] For instance, in the *Critique*.

Marx, "stood in constant opposition to one another, carried on an uninterrupted now hidden, now open, fight," which, being based on material and economic grounds of differentiation, had through the centuries a permanent element in it which was entirely lacking from ordinary struggles of dynasties or "wars of honour." By the beginning of the nineteenth century, feudalism had become practically extinct and "our epoch, the epoch of the Bourgeoisie, possesses this distinctive feature: it has simplified the class antagonism. Society as a whole is more and more splitting up into two great hostile camps, into two great classes directly facing each other—Bourgeoisie and Proletariat." [1]

Marx never works out exactly what he means by a class,[2] but he suggests that four main stages are gone through in the development of class-warfare. The first may be called that of similarities and differences, where men are vaguely conscious that they share with the fellow-members of their class ideas and ideals which are not held, or not held to the same extent, by the members of other classes. From this, the second stage is soon reached, when class-similarities slide off into class-interests, and the whole point of view of one class is seen to be homogeneous; not only in matters of custom and thinking, but in the all-important question of livelihood are the members of a class felt to be "members one of another." This in turn is bound to lead in no great time to the third stage, class opposition, where one class feels itself to be sharply opposed to the rest. Class interests do not necessarily involve any such clash, but it is highly probable that they will (at least in an unimaginative and ordinarily

[1] *Communist Manifesto.*

[2] He was actually writing about this subject when he died.

selfish period), while it is easy to see that the transition from class opposition to class warfare will be rapid, and the final stage is thus reached. A great deal, however, hangs on the phrase quoted above about the fight being "now hidden—now open." The jarring economic interests are always there, but there is not always present full recognition of their essential irreconcilability, or, in other words, full class-consciousness. How much truth is there in this? A great deal, it must be granted. It cannot be denied that changes in processes of production do affect class relationships enormously, that every movement or event in history has an economic element behind it, and that differences of wealth and opportunity divide men off into widely severed groups. But this is a very much watered-down form of the Marxian interpretation of history. In itself the theory combines various points which do not of necessity go together, and which are not, when taken singly, true except with reservations and modifications. Granting that material conditions have affected world history greatly, there is no reason why this influence should always take the form of class-warfare, nor has it done so, in actual fact: furthermore, material conditions and material interests must not be too much confused with one another, although for the fully worked out theory they are inseparable: material conditions are the raw material on which material interests and motives work, and class-warfare is the finished product. Put in this way, the theory is both a confusion and an overstatement. We must, it is true, grant that the struggle for the material means of life is a factor never to be left out of account, and that material motives play a larger part in men's lives than they are often ready to admit or indeed are conscious of: also that class-consciousness and class-loyalty are to many

the chief and highest form of co-operative sentiment to which they have attained. But this does not really take us very far. By itself this cannot be considered an epoch-making discovery, revolutionising all our views on history and sociology. And yet further than this we cannot go.

(3) *Criticisms and Concessions*

Let us leave aside for the moment what may be called the nineteenth century use of the materialist conception of history (the lessons which Marx drew from it as regards the downfall of Capitalism and the coming of the social Revolution), and consider rather the extent to which the theory is adequate as a whole and valid as an interpretation of the past.

In the first place, it is impossible to accord to material conditions or processes of production anything like the overwhelmingly important place which the theory, in its strictest form, would give. There *was*, it is true, an economic element in the Protestant Revolution which we call the Reformation, in the French Revolution of 1789, in the Portuguese Revolution at the beginning of the present century, and in the recent Russian Revolution, but who now will be so rash as to say that in any of these the processes of production were the only, or indeed the chief, element ? Engels *did* say it about the Reformation, but his interpretation is as grotesque as that of the High Church clergyman who explained it as coming about solely from Luther's desire to marry a nun. Of the Reformation Engels wrote " The bourgeoisie, for the development of its industrial production, required a science which ascertained the physical properties of natural objects and the modes of action of the forces of nature. Now up to then

science had been but the humble handmaid of the Church, had not been allowed to overstep the limits set by faith, and for that reason had been no science at all. Science rebelled against the Church ; the bourgeoisie could not do without science, and therefore, had to join the rebellion." [1] This is nothing less than ridiculous. The bourgeoisie in the Marxian sense of the word did not exist at the beginning of the sixteenth century : indeed in the *Communist Manifesto* it is expressely stated that as late as the time of the French Revolution the epoch of the bourgeoisie was only impending.[2] Nor were science and religion then sharply opposed : the " higher criticism " of Lorenzo Valla was popular at Rome rather than the reverse, while physical science was far too much in its infancy to be of any use in helping the bourgeoisie in the " development of its industrial production." The whole example is grotesque in its inadequacy. An economic element (though of a quite different kind), a political element and a religious element all joined to produce the Reformation, and to none of these by itself must exclusive weight be given. Many nobles became Protestants in order to enjoy possession of " secularised " ecclesiastical properties, but the vast majority of Reformers gained nothing materially, and indeed often suffered heavy loss of goods, or even of life itself. More modern writers are sometimes just as one-sided in their emphasis : thus Professor Patten, of Pennsylvania University, says, " if it be asked what became of the Puritan, the proper answer is that he died of consumption . . . he was doomed to failure because the word ' comfort ' was not in his vocabulary." [3] Toleration

[1] *Socialism, Utopian and Scientific* (New York, 1901), p. xxii.
[2] *Communist Manifesto*, p. 59.
[3] *Development of English Thought*, pp. 140, 141.

increased at the end of the seventeenth century because, owing to the ravages of consumption, the English race, (or many of its members) had lost its vitality and was disposed overmuch to compromise.[1] There are, of course, periods of history, where material conditions and economic causes are much more prominent; for instance, the French Revolution, where we have to reckon among the causes not only general dissatisfaction with the seignorial régime but also certain specific economic troubles. There is no doubt that in 1787 a serious crisis followed the putting into force of the Commercial Treaty with England, which had been made the previous year; as a result of this treaty many town-artisans found themselves unable to obtain employment, while the peasants in the country districts saw their bye-industries threatened; in 1788 the crisis became acuter: the harvests were bad, there was great scarcity and prices rose tremendously; the winter was extraordinarily severe, and even the harbour of Marseilles was frozen over. Next year came the Revolution: although always represented by Marx as a bourgeois revolt against feudalism, the lower classes joined in too for reasons given above, even if, as Marx would have it, the fruits of victory went to the bourgeoisie alone. But here, too, every student of history knows that there was much behind the Revolution which was not economic, and that any purely materialistic explanation is unsatisfactory and misleading.

But if this is true of periods, it is still more true of individuals; Marx is ready every now and then to admit that men's motives are not invariably material, or at least, not consciously so; he thus tries to escape from the one-sided absurdity of the "economic man," but he is nevertheless insistent that "behind the ideological veil" material

[1] *Ibid.* p. 186.

motives will always be found to lurk; *i.e.*, a man may appear to be actuated, and indeed *is* actuated as far as he himself can tell, by motives which are not purely material, but these other motives (of religion, family affection, self-sacrifice and the like) are, if only he knew it, and could pierce deep enough into his own mind, "rationalised" reflections of material motives, worked up so as to justify to himself the material interests which are really determining his conduct but which, if he saw them in their naked materialism, he might feel reluctant to accept. But this does not always square either with the every-day facts of life, as seen by the ordinarily acute observer, or with the experience of those psychologists who have most keenly analysed the workings of motives in men's minds. It is true that material conditions will very much affect men's ideas of religion and morality, especially in primitive times: that is why, for instance, the virtue of hospitality will be emphasised much more in a pastoral than in an industrial community. It is no doubt true that in primitive society "amid the complex social influences that co-operated to produce the conception of morality the economic factors have often been of chief significance; pure ethical and religious idealism has made itself felt only within the limitations of existing economic conditions."[1] It is no doubt true that sin began as a crime against society before it was an offence against the sinner's own conscience; but there is a vast difference between a "social" and an "economic" interpretation of life and conduct. Among the deep-rooted instincts which still live and work within every one of us, those which make for social cohesion are undoubtedly very strong, and of these the instinct for acquiring property must be reckoned (although it is probably

[1] Seligman, *Economic Interpretation of History*, p. 126.

by no means either the earliest or the most powerful). But such instincts as those of self-preservation, love of one's children, continuation of the species, self-sacrifice in the interests of the race seem to count for much more, and on the whole men are actuated by these rather than by the purely material motives of economic self-interest. Otherwise we get once more the unreal fiction of the "economic man"; but the innumerable cases of heroism in the last few years will by themselves convince us how often considerations other than economic ones will spur men to conduct which certainly is not in accordance with individual or class material interest.

It is on the "class warfare" side that the materialistic conception of history is weakest. We can only admit it if it is considered as an undercurrent, mainly unconscious, and leaving plenty of room for other struggles, more conscious and no less real, to go on overhead. Opposition between rich and poor there has, naturally, always been, but men do not act always as members, even as unconscious members, of classes, and to interpret such events as the Crusades or the Hundred Years War as manifestations of class-struggle is obviously absurd: altogether the theory is a most unreal and misleading simplification of the past, unless stated in a much weakened form. But, as has already been suggested, even a rigid emphasis on the effects produced by material conditions does not of itself involve class warfare. Material conditions have affected world history in quite other ways. In the latter part of the fifteenth century, the great herring shoals abandoned the Baltic Sea and coasts of Schönen (extreme South of Sweden) and came down into the more open waters of the North Sea. The result of this was to weaken considerably the power of the Hanseatic League (whose members

got a large part of their wealth by the herring fisheries) and correspondingly to enrich the seamen of England. This change took place at a time when the Hansards were anyhow declining in importance, owing to the fact that, politically, a loose confederation of cities had but little chance against the more self-conscious, more tightly organised units of Nation States, such as were arising throughout Europe at the time. The decline of the Hanseatic League is a good example of how material conditions (in this case, the migration of the herrings) can assist a process which is anyhow taking place, without being of necessity entirely responsible for the change, while anyhow with these changes class-warfare has absolutely nothing to do. On the other hand (to carry on for a moment with the question of fish), there is no doubt that in the Middle Ages the Church, by prohibiting the eating of meat on Fridays, undoubtedly stimulated the fishing industry, to such an extent, in fact, that in Elizabeth's time a Protestant Government continued and extended these prohibitions (under the name of a "Political Lent") entirely for the sake of encouraging fishing, and thereby ensuring a good supply of trained sailors to man English fighting vessels in case of need. It was not in the first instance economic conditions which produced religious observances, but *vice versa*.

It is clear therefore that though it is hopelessly wrong to isolate any one factor in the history of human development, yet much more place must be given to the influence of social conditions than was at one time accorded; but that this influence has certainly not been felt only by way of class-warfare. No one can quarrel with the very mild protest made by Marx in his earliest complete book,[1] when he asks of his critics "do these gentlemen think

[1] *The Holy Family.*

that they can understand the first word of history so long as they exclude the relations of man to nature, natural science and industry? Do they believe that they can actually comprehend any epoch without grasping the industry of the period, the immediate methods of production in actual life?" But unfortunately Marx did not stop at this, and the materialistic conception of history, as ordinarily used by Marxians at the present day, is far more uncompromising in agreeing with Marx that the economic structure of society is "the real foundation on which rise legal and political superstructures" and that with the change of the economic foundation the entire immense superstructure is more or less rapidly transformed. Yet the more immediate followers of Marx were quite conscious of the weakness of the theory in its extremest form, and a process of whittling away soon set in. Engels began it: where Marx stressed "productive forces" Engels added "conditions of exchange," but even so we have a theory much narrower than the Montesquieu-Buckle emphasis on climate and soil. But such factors were more and more brought in afterwards: race and geography were made to count for a great deal; Kautsky, a faithful follower, then added the influence of Mathematics and Natural Science, while at the very end Engels introduced those "ideological" influences which, to begin with, he and Marx had been so anxious to repudiate. Marx himself removed from the final (German) edition of *Capital* various phrases such as "the religious world is only the reflection of the real world" and "Protestantism is essentially a bourgeois religion," while Engels wrote as follows;[1] "according to the materialistic view of history, the

[1] Letter written in 1894, printed in the Leipsig paper *Der Sozialistische Akademiker*, October, 1895.

factor which is in the last instance decisive in history is the production and reproduction of actual life. More than this neither Marx nor I have ever asserted. But when any one distorts this so as to read that the economic factor is the sole element, he converts the statement into a meaningless, abstract, absurd phrase. The economic condition is the basis, but the various elements of the superstructure—the political forms of the class-contests and their results—the constitutions—the legal forms and also all the reflexes of these actual contests in the brains of the participants, the political, legal, philosophical theories, the religious views—all these exert an influence on the development of the historical struggles and in many instances determine their form." "They all react on one another and on the economic basis."

It is easy to see why the theory was at times overstated: any new point of view which is struggling for life is nearly always exaggerated by its advocates, who wish to make as sharp a contrast as possible between it and the older views which they are trying to discredit. Engels admitted as much when he wrote long afterwards "we had to emphasize face to face with our opponents the chief principle (the economic aspect) denied by them, and there was not always time, place and opportunity to do justice to the other considerations." [1] But this excuse is not valid for the most modern advocates of the theory who seem to forget the hedging process introduced by Engels and Kautsky, and present it in its barest and most untenable form.[2]

[1] Letter of 1890, published in *Der Sozialistische Akademiker* of October, 1895.

[2] *E.g.* Mark Starr (*A Worker Looks at History*, Plebs League, 1919) shows himself aware of the accusation that the Materialistic Conception of History is "too narrow," but makes no attempt to answer the charge.

CHAPTER VIII

ECONOMIC DETERMINISM

(1) *Determinism and Prophecy*

"SCIENTIFIC Socialism," we have seen, means not merely a "scientific" theory of value and surplus-value, but also an interpretation of past history on purely materialistic lines; but more even than this, it means a "scientific" and infallible forecast as to the future. The materialistic conception of history is important as an explanation of what has happened in the past, but far more important are the deductions to be made from it. And it is here really that Marxism gets its greatest strength. The socialist party, it is claimed, is strong and alive when Marx's ideas of historical materialism have profoundly penetrated popular consciousness, but not otherwise,[1] and it is by prophetic dogmas that popular consciousness will be most easily penetrated.

It was suggested at the beginning of the last chapter that "materialistic conception of history" was an unfortunate title for the theory: it is so, because "materialistic" does not sufficiently bring out the economic basis of all society; it would apply just as well to a purely biological interpretation; as if, for example, the science

[1] Sorel's Preface to Labriola's *Conception matérialiste de l'Histoire.*

of cytology, or the study of cell-life, which has grown so rapidly of recent years, were pushed further still, so that all human activities, past and present, could be explained by changes in the grouping and arrangement of cells. This could be just as accurately described as a "materialistic" interpretation of history, in contradistinction to earlier "ideological" conceptions. It is recognition of this ambiguity that has led many French writers to talk instead of "economic determinism": this avoids the difficulty introduced by confining "materialistic" to "economic," but introduces a difficulty of its own inasmuch as "determinism" seems to beg the question as to freedom of will; whereas, as a matter of fact, Marx's views as to economic influences in history, however narrowly interpreted, are not incompatible with free will, and do not necessarily involve moral fatalism. For these reasons there is no doubt that *economic* interpretation or conception would be a more satisfactory phrase: it has not, however, found much favour among English writers, and the phrase "materialistic conception of history" (often, by the initial-loving, abbreviated to M. C. H.) is, in spite of its drawbacks, the one still usually employed. But for what we are now going to deal with, Marx's interpretation of future events in the light of what has gone before, the phrase "economic determinism" is not a bad one, as its essence lies in the inevitable and irresistible course of development which he dogmatically deduced from the events of the past: of course determinism must not be thought to imply that in any individual case free will is swamped and liberty of action completely fettered, in spite of the surrounding web of potent economic influences.

In the first half of the nineteenth century the age-long warfare of classes had, for Marx, simplified itself into

a struggle between bourgeoisie and proletariat. Feudalism was gone, to all intents and purposes, and the territorial suzerain of earlier days, basing his power on the possession of land, had given place to the capitalist, basing his power on his ownership of the means of production. The rest of the community possessed only labour-power, and got its living by the sale of this commodity, the price obtained for it being wages. Capitalism is therefore obviously the most interesting phenomenon of the nineteenth century. Marx was far too well read in history to consider that it was making its first appearance only in his time, but it was only then that it had become sufficiently developed to be susceptible of full study and analysis; and this comprehensive analysis he set himself to provide, his object being twofold;—to study as closely and accurately as possible the whole technique of capitalism and its exact manner of working, and, secondly, to forecast, as well as he could, the subsequent development of capitalism, and what its future would be, as produced by the tendencies already to be observed. Hence the three great volumes of *Capital*. The prophecies of this book are, of course, matters for argument, while in the analysis of existing capitalism the parts about value are, as we have seen, also open to controversy. But the same is not true of the purely descriptive portions of the book, for which the hackneyed phrase "masterly" is barely enough praise. It would be hard to do adequate justice to the painstaking research, the able handling of materials, and, finally, the comprehensive survey produced. No one has any excuse for saying that the gloomier side of English economic conditions in the first half of the nineteenth century is not known or not knowable. Carlyle and many others were worried about the "condition of England question."

The reason for this uneasiness is to be seen in the state of affairs exposed in *Capital*. Terrible, however, as were the facts brought to light, cruel as was the action of individual capitalists shown to be, it must not be thought that Marx was producing merely an indignant protest against the whole system: that would have been "unscientific" and entirely contrary to the materialistic conception of history. Capitalism was an essential phase of economic development; it was also a transitory phase, but it would not yield to any new system until it had worked out all its own possibilities fully, and had indeed prepared within itself the foundations of the social structure which was coming along, in time, to take its place. Thus and thus alone would it fit in with the general scheme of historical development which Marx had brought to light and which he regarded as henceforward unquestionable. The first thing, then, to look out for was the "perfecting" of capitalism itself, or, in other words, the full development of all its potentialities. The keynote of capitalism is greed for surplus-value, and the more perfect capitalism becomes, the greater will be this greed, and the more efficient the means adopted for satisfying it. This will be seen in the activities of the individual capitalist. "The capitalist has no other historical value, no historic right to live, no social *raison d'être* except inasmuch as he functions like capitalism personified. Fanatical agent of accumulation, he forces men without truth and mercy."

But just as, in a general way, capitalism is, for its purpose and at this stage, the most efficient medium of production, so is the biggest individual capitalist the most efficient servant of capitalism. Here is another aspect of the prevailing economic tendency. First the small independent worker, and then even the small capitalist will have to

disappear, and capitalism will fulfil its destiny and reach the highest pitch of efficiency when the forces of production are concentrated in the hands of as few capitalists as possible. This is the first law of capitalist development. As an obvious corollary to this, an ever-increasing proportion of the community will find itself thrust down into the ranks of the wage-earners, and as the greed for surplus-value becomes ever more intense and (owing to the increasing power and efficiency of capitalism) more easy of gratification, so will the exploitation and misery of the wage-earners increase.

This is a perfectly clear and definite position, foretold by Marx from his study of past history and his comprehension of the tendencies logically inherent in the capitalism of his own age. Moreover, these prophecies have been made the cornerstone of the Marxian system. "He does not say things and he does not predict things as though he was discussing an abstract possibility, or like a person seeking, by mere will-power, to give life to a state of affairs which he wishes to see and of which he dreams. But he talks and prophesies as he does, because he is enunciating things which must inevitably occur by the indwelling necessity of history, seen and studied thenceforward in the innermost recess of its economic foundation." [1] "What is needed is a scientific basis to socialism—a socialism founded on the experience of the past and the knowledge of the present—such a socialism is Marxian socialism. In fact there is no other real socialism but that of Marx." [2] To what extent has subsequent History justified these claims ?

[1] Labriola, *Conception matérialiste de l'Histoire*, p. 287.

[2] Cook, Centenary Pamphlet on Karl Marx, published by Plebs League.

Since Marx wrote, capitalism has undoubtedly become very much more efficient, and, to a considerable extent, along the lines which he prophesied. The great growth of the Joint Stock Company, and still more of the Trust, is proof of this. "Hand in hand with this centralisation or this expropriation of many capitalists by few develops, on an ever-extending scale, the co-operative form of the labour-process,[1] the conscious technical appliance of science, the methodical cultivation of the soil, the transformation of the instruments of labour into instruments of labour only usable in common,[2] the economising of all means of production by their use as the means of production of combined, socialised labour, the entanglement of all nations into the net of the world market, and with this the international character of the capitalistic régime. Along with the constantly diminishing number of the magnates of capital who usurp and monopolise all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation."[3] From the point of view of the technical advances made by capitalism, this is true enough, though Marx's very similar prophecies, made as far back at the time of the *Communist Manifesto* are, of course, still more remarkable. But the social results of these improvements in the technique of production have not been at all such as Marx foretold. It has not, in fact, been true that in a world of unfettered competition "one capitalist always kills many," nor has there been the continued and increasing degradation and misery for the wage-earners that he prophesied. These

[1] Meaning, of course, merely subdivision of labour and so forth, not co-operation as a form of economic structure.

[2] *Usable* but not *owned* in common.

[3] *Capital*, vol. i. pp. 288, 289.

points are so important, since by them Marxism largely stands or falls, that they require more detailed investigation.

(2) *Concentration of Capital and Increasing Misery.*

First, as regards concentration of capital. It is true that Trusts have increased enormously of recent years, and that, for instance, the U.S. Steel Corporation had, in 1907, half as large a capital as the combined capital of the 185 industrial combinations which existed in 1900, and the same process, though to a less degree, has gone on in every industrialised country. But as against this it seems to be fairly established.

(1) That the number of shareholders in industrial concerns has been the whole time increasing rather than diminishing:

(2) That small independent businesses have during this time managed to hold their own fairly successfully: at any rate they have not been squeezed out in anything approaching the wholesale way that Marx had foretold.

Between 1898 and 1912 the number of Registered Companies in the United Kingdom has increased from 25,000 to 56,000 and the paid-up capital has increased during the same period from £1,383,000,000 to £2,335,000,000:[1] the number of shareholders has also increased extraordinarily; but of course too much cannot be argued from this, as the duplicates are enormous (*i.e.*, persons holding shares in more than one Company) and the number of separate individuals who are investors is nothing like the number

[1] *Statistical Abstract of U.K.*, 1913.

of shareholders. Still the fact remains that the joint stock company does undoubtedly offer a possible field for the investment of the savings of the small man, and a considerable proportion, at any rate, of the enormous capital of the modern joint stock companies undoubtedly comes from this source. Even the Trust, whatever its effect on the consumer or the small producer, prevents a too ruthless war of capitalist against capitalist, while many of the economies which it makes possible would also be practicable in a fair-sized independent business. Moreover there are certain forms of industry, where the small independant producer is at a positive advantage against the larger capitalist; for instance, where individuality and manual skill count for a great deal, as in many "luxury" and art trades (jewellery, embroidery, leather and metal work, etc.), or where the commodity produced or service rendered has to be readily accessible to the purchaser (baking, shoeing, bicycle-repairing, etc.). Still more is the small independent retail trader able to survive owing to the fact he is on the spot, and is more likely than a local branch of a big business to consult the special tastes of individual customers. Bernstein's general conclusion is that "only the very small enterprises decline relatively and absolutely," and he quotes the following statistics for Prussia (in the table on opposite page) as regards distribution of employees in trade and industry.[1]

In the United Kingdom the continued existence of the small employer or independent worker is shewn by the following figures of persons occupied in professions, industry or commerce in 1911:[2] out of a total of 20,000,000 thus occupied, 2,300,000 were employers or independent workers,

[1] Taken from the Census of 1907, *Evolutionary Socialism*, p. 57.

[2] Bowley, *The Division of the Product of Industry*, p. 11

Establishments.	Numbers.		Persons Employed.	
	1895.	1907.	1895.	1907.
Quite small (1 person only) - -	1,029,954	955,707	1,029,954	955,707
Small (2-5 persons)	593,884	767,200	1,638,205	2,038,236
Medium (6-50 persons) - -	108,800	154,330	1,390,745	2,109,164
Great (51-100 persons) - -	10,127	17,287	1,217,085	2,095,065
Very great (501-1000 persons) -	380	602	261,507	424,587
Giant (1001 persons and over) -	191	371	338,585	710,253

with incomes of less than £160 (about half a million being farmers), while 1,280,000 were salaried, but in receipt of less than £160 a year. The numbers of those earning over £160 were 530,000 (employers) and 385,000 (salaried persons). The remaining 15,600,000 were wage-earners. These figures do nothing, of course, in themselves towards invalidating the claim that a disproportionate amount of the national income goes to a comparatively small number of persons, but they do at any rate prove that the concentration of Capital had not then proceeded to such lengths as to drive all the small capitalists and independent workers into the ranks of the wage-earning proletariat. Even if some of these small employers or investors are considered to be, in Sombart's phrase, "vassals of capitalism," living by and dependent on it, and even if some of the small businesses employ sweated labour in conditions worse than those of large-scale capitalism, yet the fact remains that the concentration of capital, a tendency towards which cannot be denied, is coming very much less quickly than Marx anticipated.

But it is in Agriculture that the Marxian prophecies have been least fulfilled. Marx thought that farming on a small scale was as much doomed as any other small scale business: it was "worthless and utterly irrational" and was bound to go down before the application to agriculture of capital and capitalistic methods of production. "In the sphere of agriculture, modern industry has a more revolutionary effect than elsewhere, for this reason, that it annihilates the peasant, that bulwark of the old society, and replaces him by the wage labourer. . . . In agriculture, as in manufacture, the transformation of production under the sway of Capital means, at the same time, the martyrdom of the producer. . . . Moreover, all progress in capitalistic agriculture is a progress in the art, not only of robbing the labourer but of robbing the soil."[1] But, as a matter of fact, this centralised agriculture under capitalist conditions has not extinguished small-scale farming by any means. In 1895, the German Social Democrats met at Frankfort, and discussed the position of the peasants: at Breslau, soon after,[2] they decided against any programme which would place before them the prospect of any improvement in their conditions: this would be strengthening them in their obstinate clinging to their property rights, and would be merely stupid in view of their inevitable proletarization. But in the same year a census was taken throughout Germany shewing the distribution of holdings, as compared with the last returns, which had been made in 1882. It appeared that during this period the number of holdings of less than 2 hectares[3] had decreased 0·17 per cent., but that holdings of between 2 and 20 hectares had increased 1·26 per cent.:

[1] *Capital*, vol. i. pp. 513, 514.

[2] See below, p. 170.

[3] A hectare is approximately 2½ acres.

holdings of over 1000 hectares had increased 0·24 per cent., although even in 1895 they were only 2·46 of the whole, while the number of holdings of intermediate size had decreased 1·33 per cent. on the aggregate, this decrease being spread out fairly equally over every subdivision (50-100 hectares, 100-200 etc.). Anyhow, the general result was that the small agriculturist was gaining slightly rather than losing. In the United States, 33·7 of the total number of farms were in 1900 less than 50 acres, as against 29·3 in 1880. In France in 1892, 12½ million hectares were cultivated in farms of less than 10 hectares, as against 12,300,000 hectares in 1882, and imperfect though all these statistics are, they show the same general principle, the continued survival of the small cultivator.

In England, in the period just after that in which Marx was writing, the number of holdings of from ¼ to 1 acre increased from 18,422 in 1872 to 21,069 in 1885, and the holdings of 1 to 5 acres increased in the same period from 93,148 to 103,229, but at the same time there was a slight decrease in the number of holdings of from 5 to 100 acres (219,000 to 215,000). Holdings of more than 100 acres increased from 71,000 to 75,000. The following figures show what proportion the holdings of various sizes bore to the total area in the year 1909.[1]

Holdings of 1- 5 acres	1·07	Holdings of 100- 300 acres	42·00
„ „ 5- 20 „	4·87	„ „ 300- 500 „	16·86
„ „ 20- 50 „	8·36	„ „ 500-1000 „	10·35
„ „ 50-100 „	13·70	„ „ over 1000 „	2·79

This is how Professor Levy (a very careful foreign student of English farming) sums up the course of agricultural

[1] Levy, *Large and Small Holdings*, App. II. p. 228.

development in England since 1880: "in a relatively short time the large farm system has retrograded considerably, and medium and small farms have made corresponding progress. . . . This progress appeared to many people as an altogether unprecedented phenomenon, especially to those who were not acquainted with the agricultural history of England, and supposed that the preponderance of large farms was inherited from time immemorial."[1] The fact of the matter appears to be that in agriculture the economies of large scale production are not so very great after all; in certain branches, *e.g.*, stock-farming and market-gardening, the smaller holdings are definitely at an advantage: machinery is not so overwhelmingly important as in industry, and anyhow the growth of co-operative organisations is putting its assistance within the reach even of the small farmer: but what counts for far more than machinery is greater knowledge and the application of science to agriculture, and in these advances the small man can share as well as the great. Small owners and small tenants have in this discussion been treated alike, the *ownership* of the land being entirely outside the present question, although, as long as the present system continues in England, there will be social reasons in favour of large properties which may run counter to purely economic considerations. "For the first time in English agrarian history," says Professor Levy, "the system of capitalistic concentration, as applied to the land, is shewing serious weakness. So far it has developed hand in hand with the economic needs of agriculture. Large estates and large farms went excellently together. At the present time the interest of the landowner, economically speaking, would be in the formation of small farms.

[1] *Large and Small Holdings*, App. II. p. 100.

But his interests are only partly economic."[1] If this is true of England, the classic land of large estates as well as of large industries, Marx's prophecy is clearly unfulfilled, and Marxians can no longer persuade themselves of "the absolute certainty that capitalist production will outdistance the powerless, antiquated small farm as a railway train a wheelbarrow."[2]

Nor has subsequent history done any more to substantiate the theory of the increasing misery of the proletariat, which augmented as it was to have been by ever increasing numbers of small bourgeois folk, was to sink lower and lower under the "mass of misery, oppression, slavery, degradation, exploitation." Inasmuch as the relation of wages to prices is any test, and it is the best we have, the facts seem to be all the other way. It is quite true that in the first fourteen years of the twentieth century, real wages undoubtedly fell, but this can be explained on quite other grounds than those of concentration of capital and growth of surplus-value; while the labour-market had not had time to readjust itself to this new state of affairs before the war came along and produced an abnormal situation which by its violence is certainly not part of the Marxian process of ordinary capitalistic development, and which has, as a matter of fact, apparently resulted in a wider distribution of material prosperity, even although this has been at the expense not of the big capitalists, but of the professional and middle classes.

In attempting to measure the course of wages and prices in the half century or so preceding the war, the most

[1] *Large and Small Holdings*, p. 123.

[2] Engels, *Bauernfrage in Frankreich und Deutschland* (*Neue Zeit*, 1895).

conveniently arranged figures are those given by Mr. W. T. Layton[1] (taken from an article by Mr. G. Q. Wood in the *Statistical Journal* for 1909), of which a shortened summary is here given (the 100 from which the reckoning starts is the index number of prices and wages in 1850, and the remaining figures are the carefully-worked out ratios in subsequent years).

Year.	Average Money Wages, 1850=100.	Average Retail Prices, 1850=100.	Percentage Unemployed.	Real Wages	
				Of those in Full Work, 1850=100.	Allowing for Unemployment.
1850	100	100	(4·0 ?)	100	96
1860	114	111	1·9	103	101
1870	133	113	3·9	118	113
1880	147	107	5·5	134	127
1890	163	91	2·1	166	162
1900	179	89	2·5	183	179
1910	179½	98	4·7	169	161

The unemployment figures vary extremely from year to year, and too much emphasis must not be laid on those quoted above; thus, although in 1860 the percentage of unemployment was only 1·9, in 1857 it had been 6 and in 1858 11·9, while in 1861 it was up to 5·2 and in 1862 to 8·5. But on the whole the percentage has shewn a tendency to decrease in the last twenty-five years. The figures of wages and prices speak for themselves, and shew that though there had been a drop since 1900 the position in 1910 was slightly better than it had been in 1890, and immensely better than the times in which Marx was writing. In this table, average wages of working folk of all trades have been put together, but a similar result is arrived at by the

[1] Layton, *Introduction to the Study of Prices*, Appendix F. Statistics illustrating the progress of the working classes.

investigation of separate trades, as done, for instance, by Mr. A. L. Bowley in his *Wages in the United Kingdom in the Nineteenth Century*. Along with the rise in real wages has gone, as would naturally be expected, an increase in the consumption per head of the chief necessaries of life, as will be seen from the following table, worked out in quinquennial periods: [1]

	1860-1864	1865-1869	1874-1879	1895-1899	1901-1904	1905-1909
Corn, bushels	5·547	5·451	5·379	5·741	5·871	5·746
Meat, lbs.	—	100·45	108·38	110·22	121·30	125·36
Tea, „	2·79	3·51	4·02	5·80	6·06	6·17
Sugar, „	35·66	41·95	49·89	84·52	85·38	83·90
Rice, „	5·76	6·58	9·89	7·89	13·71	15·92
Tobacco, „	1·24	1·34	1·38	1·77	1·93	1·99
Cocoa, „	0·12	0·15	0·24	0·77	1·14	1·21

These figures shew the consumption per head of the *whole* population, but the increases during the years shewn can without hesitation be put down to increased consumption on the part of the *working classes*; the more well-to-do may, with an increase of wealth, spend more upon *expensive* commodities, but as even before such increase they were able to afford as much in the way of *necessaries* as they wanted, any further expenditure on *necessaries* may safely be assumed to be an indication of a rise in the standard of living on the part of the working classes. But not only have the latter been able to spend more, they have been able to put more aside, as is shewn by the large funds of the Trade Unions, and by the following figures of the progress made, even within the present century, by Building and Provident Societies.[2]

[1] Layton, *op. cit.* p. 152.

[2] These figures all come from the *Statistical Abstract of the United Kingdom.*

INDUSTRIAL AND PROVIDENT SOCIETIES IN THE U.K.

	No. making Returns.	Members.	Share Capital.	Sale of Goods.
1898	1813	1,596,000	19½ milliions.	65 millions.
1911	2410	2,785,352	37¼ millions.	120 millions.

During the same period the number of Incorporated Building Societies has dropped from 2425 to 1622, but their assets have increased from 45 to 62 millions.

Again, look at the statistics of the Post Office Savings Bank : [1]

	Balance at end of Year.	No. of Accounts.	Average due to each Depositor.	Money paid in.	Interest (paid or credited).
1898	123 millions	7,630,000	£16 2 9	37 millions	35 millions
1912	182 millions	12,700,000	£20 11 10	50 millions	53 millions

A doctrine of " increasing misery " is very hard to maintain in face of the facts. The situation is much the same in the United States and on the Continent, and orthodox Marxians have been hard put to it to find any satisfactory explanation. Bernstein is prepared to throw over this part of Marx's system, and acknowledge that things have not taken the course which he prophesied. Lafargue, on the other hand, is prepared to stand by what Marx had said, and declares that there is no limit to the growing oppression.[2] Kantsky has tried to take up an intermediate position. He agrees that misery has not increased in the ordinary sense of the word, but suggests that by misery Marx only meant malaise, a purely psychological trouble

[1] These figures all come from the *Statistical Abstract of the United Kingdom.*

[2] In the *Socialiste*, Jan. 29, 1899.

based on man's growing recognition of the disproportion between his desires and the means he has of realising them. This, of course, is an entirely untenable position: "misery, oppression, slavery, degradation, exploitation" are terms too strong and definite to be applied to the man whose only grievance is that he is still not as well off as somebody else is: nor, in face of them, can it be urged that the prophecies have been fulfilled inasmuch as the prosperity of working folk has not increased in the same proportion as that of other sections of the community: this is a view which it would not be easy to substantiate, and, even were it true, could not possibly be covered by phrases like "slavery" and "degradation." But as a matter of fact it was proclaimed without any ambiguity in the *Communist Manifesto* that "the modern labourer, instead of rising with the progress of industry, sinks deeper and deeper below the condition *of his own class*."

Finally, a word should be said about crises. These, according to Marx, were to occur with ever-increasing frequency and intensity, and "by their periodical return put in its trial, each time more threateningly, the existence of the entire bourgeois society . . . paving the way for more extensive and more destructive crises."[1] But here too facts have been against him. The economic world is much more able now than previously to digest these periodic crises, and mitigate the violence of their social consequences. Much less therefore is to be expected from them than Marx anticipated, and certainly they are not likely to be a determining factor in bringing about the Social Revolution.

[1] *Communist Manifesto*, p. 21.

(3) *Class Warfare and the Social Revolution.*

But the tendency which Marx foretold towards concentration of capital and consequently increasing misery was only part of the story. The Class-War was never left out of sight. The simplification into Bourgeoisie versus Proletariat was there the whole time, and would become more and more marked as the number of capitalists became smaller, and ever increasing numbers were thus added to the millions of the Proletariat. Forgetting for the moment that subsequent history has not altogether borne out this part of the prophecy, let us see what it is all leading to, according to Marx. The Class-War is the most enduring and significant fact of history: from age to age classes have been opposed, but the various gradations which had existed in all earlier periods had been simplified into the one great antithesis of Bourgeois and Proletariat: none of the changes which had previously occurred had happened until the social structure was ready for them: in the same way the bourgeois capitalistic régime was to prepare within itself the new order which was to take its place; but whereas previously when changes had occurred they had led merely to fresh grouping of classes and renewal of the class-war (though in a different form from previously) the new and latest change was to bring in its train the end of class-warfare, through the complete and final triumph of the proletariat. The process was to be extremely simple. Capitalism was to become as perfected technically as possible, and when the machine had thus been brought to a state of efficiency, so that it could practically run itself, it was to be transferred from the hands of the capitalists to those of the proletariat, the centuries-old struggle thus culminating in the Social Revolution, "The knell of

capitalist private property sounds. The expropriators are expropriated." [1]

It is just worth noticing in passing that class-warfare is no more original than are any other of Marx's ideas, although the use he makes of it is all his own. He does here again what he had already done with Montesquieu and Hegel in the conception of history, Ricardo and Bray in the economics of value, Pecqueur and Considerant in prophecies about increasing capitalism—he takes on an idea fairly obvious in its simplest form, elaborated to some extent by a contemporary or immediate predecessor, and himself carries it very much further and perhaps transforms it out of recognition. The idea of classes opposed to one another must have occurred to anyone who thought at all about past history: but at the beginning of the nineteenth century it had been much elaborated by Guizot (the historian, statesman and apologist for bourgeoisie) in France, and in Germany by Laurenz von Stein (the aristocratic and conservative publicist); while even in the new democracy of the United States Madison (the part author of the *Federalist*) was preaching a similar doctrine. In each case (and these three are only representative of many other writers) the doctrine was this, that differences of property produce different interests, and hence classes sharply opposed to one another: that Revolutions hitherto have been primarily political, but that in the future they will be economic: equally, hitherto, class-warfare has meant the struggle of the bourgeoisie (mainly commercial and industrial) to free itself from the fetters of territorial feudalism, but that in the future the struggle will be between the Haves and the Have Nots. In other words, an entirely new factor has just appeared, the proletariat.

[1] *Capital*, vol. i. p. 789.

Such people existed, of course, before, but were neither aware of their strength nor conscious of the impoverishment of personality which results from material impoverishment: now they are beginning to feel the lack of what they have not (property, and education and all that can spring from these), to appreciate their unity of interests with one another, and to realise how much can be done by the concerted action of even weak and apparently negligible individuals if only there are enough of them. The French Revolution, naturally enough, brought this proletarian movement to the front; and yet it had essentially started as a revolt of bourgeoisie against feudalism: it began with the assembly of the States General in 1789, and the Third Estate was as far as could be from representing any class-conscious proletariat. But during the course of the Revolution it (the proletariat) "made its entry upon the stage of French political life, never again to leave the scene."[1] "And now a third combatant has entered the arena. The Democratic element is divided. Against the middle classes are ranged the working classes, against the bourgeoisie the common people. Moreover, this new war is a war to the death, for the new combatant is arrogant, exclusive as no other class ever was. Only the people, they say, have a right to sovereignty: and no rival, old or new, noble or bourgeois, can be admitted to share it with him."[2]

Then enters Marx (the *Communist Manifesto* was written six years after the publication of von Stein's book on *Socialism*). The idea of this new form of class-warfare (bourgeoisie versus proletariat) is, of course, eagerly accepted: not only is war proclaimed, but the issue and

[1] Stein, *der Sozialismus*, p. 8. Quoted by Simkhovitch, p. 177.
[2] Guizot, *De la Démocratie en France*, p. 107.

result is announced in advance. Madison had seen possibilities of defeat for the proletariat: Guizot had prayed (though without very great conviction) that the struggle might be averted. "Either the existence of the same passion or interest in a majority at the same time must be prevented, or the majority having such co-existent passion or interest must be rendered, by their number and local situation, unable to concert and carry into effect schemes of oppression." [1] "It is a scourge, a shame that our age cannot endure. Internal peace, peace between all classes of citizens, social peace! That is what France most desperately needs." [2] But social peace without friction, or victory after friction for the bourgeoisie, neither of these was to Marx in the least likely; in fact, even the possibility of their happening was not to be thought of for a moment. The class struggle was certain; it was bound to be bitter; and its end was never in doubt. The victory of the proletariat was from the beginning absolutely assured, because the tendencies of the time were all on its side. Capitalism was digging its own grave. "The Bourgeoisie is incapable of remaining the ruling class in society. . . . The Bourgeoisie is incapable of bearing rule because it is unable to ensure for its slaves a bare existence, because it is forced to place them in a position where, instead of maintaining society, society must maintain them." [3] You have, it is true, increase of "misery, oppression, slavery, degradation, exploitation." But with it "grows the revolt of the working classes, a class always increasing in numbers, and disciplined, united, organised by the very mechanism of the process of capitalist production itself." [4]

[1] *Federalist*, No. 10.
[2] Guizot, *op. cit.* p. 35.
[3] *Communist Manifesto.*
[4] *Capital*, vol. i. p. 789.

The Social Revolution is, then, not a probability but an assured fact, guaranteed by the economic necessities even of capitalism itself. There is much illuminating matter in the "Author's Prefaces" to the first volume of the English edition of *Capital*. For our present point, the two following extracts are useful: "Intrinsically, it is not a question of the higher or lower degree of development of the social antagonisms that result from the natural laws of capitalist production. It is a question of these laws themselves, of these tendencies working with iron necessity towards inevitable results."[1] "Let us not deceive ourselves in this. As in the eighteenth century, the American War of Independence sounded the tocsin for the European middle class, so in the nineteenth century the American Civil War sounded it for the European working class."[2] But this is all rather unsatisfactory from its vagueness: there is much dogmatic prophesying that the Social Revolution will come: there is less certainty as to its when and its how. Sometimes it is quite close: in 1848 (after the Parisian Revolution) and in 1867 (after the American Civil War) it seemed very near at hand; while in between, in July, 1850, the exhibition of the model of an electric engine was enough to make Marx, "all flushed and excited," tell Liebknecht that "now the problem is solved—the consequences are indefinable. In the wake of the economic revolution the political must necessarily follow, for the latter is only the expression of the former."[3]

In 1867 he had written: "The representatives of the English Crown in foreign countries declare in so many

[1] *Capital*, vol. i. p. xvii. [2] *Capital*, vol. i. p. xviii.

[3] Liebknecht, *Biographical Memoirs*, p. 57 (quoted by Simkhovitch, *op. cit.* p. 26). Of course this was the father of the Liebknecht who was murdered in 1919.

words (in a blue book about industrial questions on the Continent) that in Germany, in France, to be brief, in all the civilised states of the European Continent, a radical change in the existing relations between capital and labour is as evident and inevitable as in England. At the same time, on the other side of the Atlantic Ocean, Mr. Wade, Vice-President of the United States, declared in public meetings that, after the abolition of slavery, a radical change of the relations of capital and of property in land is next upon the order of the day. These are signs of the times not to be hidden by purple mantles or black cassocks. They do not signify that to-morrow a miracle will happen. They shew that, within the ruling classes themselves, a foreboding is dawning, that the present society is no solid crystal, but an organism capable of change, and is constantly changing."[1] In 1871, the short-lived Commune in Paris once again made the Social Revolution imminent, and filled Marx with ardent though short-lived enthusiasm. But neither the electric engine, the American Civil War, nor the French Commune brought the Social Revolution into being, and it needed a world war (thirty years after Marx's death, and no part of his scheme of inevitable evolution) to produce the only example of the Dictatorship of the Proletariat that the world has yet witnessed.

Yet the last of his prophecies of revolution is now not without interest. Although after the failure of the Commune he on the whole lost faith in violence and looked rather to peaceful and constitutional transformations of society, the Russo-Turkish War seemed to offer once more the prospect of a shorter cut to the New Age. On 27th September, 1877, he was writing to his friend Sorge in a spirit of the

[1] *Capital*, Preface to vol. i. p. xx.

most hopeful anticipation. "This crisis," he wrote, "is a new turning point for European affairs. Russia—and I have its condition from original sources, unofficial and official—has for a long time stood on the threshold of a revolution. All the materials for it are ready . . . Every aspect of Russian society, economic moral and intellectual, is in full decomposition . . . And if it really came to a revolution there, where would then be the last guarantee of the Hohenzollern dynasty?"[1] But here too Marx was quickly disillusioned, when a European Congress and not a European Revolution followed the conclusion of hostilities.

(4) *The Dialectical Method*

The non-fulfilment of Marx's prophecies is not really very hard to explain. The Social Revolution was always made by him conditional on certain economic changes, which he thought were bound to come—concentration of capital, growing poverty of the workers and so forth—and since these, as we have seen, have not come, it is not surprising that the Revolution has not come either. The fact of the matter is that in his prophecies, both of the Social Revolution and of the economic conditions which were to produce it, the wish was ever father to the thought. It must, I am afraid, be confessed that when Marx undertook "scientific" enquiries it was with the intention of justifying preconceived ideas. This was his weakness all through. He was apt to become vague and hesitating as soon as he reached the point where the final end came into the realm of serious question. He reasoned acutely, but only within the narrow limits allowed by the theory which

[1] *Briefe von Karl Marx u. A. an F. A. Sorge*, pp. 156–7. Stuttgart, 1906.

he had already adopted, and which the scientifically-drawn conclusions were destined to support. Thus he claimed to foresee irresistible tendencies which only too often were not tendencies at all. He was always dogmatic and usually plausible, but very often wrong: nor was he as ready to acknowledge mistakes as was Engels.

But the non-success of his forecasts was not only due to the fact that he was trying to make the future do what he wanted; he was also seriously misled by his continued "coquetting" not only with Hegelian terminology (to which he pleaded guilty) but with the general "dialectical process" of Hegelianism. As applied to historical changes, Hegel's "dialectical process" meant that each stage of development created its own opposite (or negation), and that this in time gave place to yet a third stage (negation of negation): the three stages were called Thesis, Antithesis and Synthesis. This may seem a somewhat artificial way of looking at the continuous flow of human activities, but Marx was strongly impressed by the idea that this triple process was always going on. In economic development, the "positive" was clearly the stage of feudalism: the "negation" of this was no less obviously the bourgeois capitalist régime: the "negation of negation" had next to be found: this, surely, would be the dictatorship of the proletariat. In such a process of reasoning there is an inherent weakness: the continued opposition of abstractions to one another is almost bound to make the theorist lose touch with reality: each age has to "deny" its predecessor (*i.e.* be its opposite), and forecasts as to the future are therefore made to depend not so much on what is intrinsically probable, from all the evidence available, as on what will produce the exact opposite of what is now going on. Consequently the most painful minuteness of

analysis of existing conditions will, with Marx, be found alongside " almost incredible negligence " as regards the realities of the future.[1] This is the fault, which we noticed far earlier, of pinning all the facts of experience down into neat but inelastic categories, and in the doctrine of the Social Revolution the results were particularly unfortunate. Even if we grant (which there is no great reason to do) that the " negation of negation " will make the bourgeois régime change into the dictatorship of the proletariat, what will come next ? According to Marx, we shall then have the end of the long class-warfare, because, with the proletariat once supreme, there will no longer be any classes to struggle against one another. The dialectical " negation of negation " is always a " synthesis," a harmony where the two earlier negations are reconciled. Therefore the class wars of the earlier periods will have, in the final stage, to terminate in social peace. But, as a matter of fact, what reason is there (apart from the dialectical exigencies of the " synthesis ") for anticipating this sudden end to the class struggle which has been claimed to be the dominating fact of history for so many centuries ? The dictatorship of the proletariat does not logically and of itself involve social peace. It has not produced the abolition of classes in Russia. " Scientific Socialism " is not so very scientific after all.

[1] The phrase is Bernstein's.

CHAPTER IX

GERMAN SOCIAL DEMOCRACY

The transition from economic determinism to the German Labour Movement is less abrupt than might at first appear. The doctrine of the increasing concentration of capital and the growing numbers (and misery) of the proletariat did not involve fatalistic apathy for the individual worker: the "expropriation of the expropriators" could only come as a result of the organisation of the proletariat. Although in his international schemes Marx failed, he may yet fairly be held responsible for the growth of the several national Labour movements during the second half of the nineteenth century. He had tried in vain to get the workers to take a short cut. Solidarity within each nation had, he found, to come before international solidarity, and even this simpler task was none too easy. The important lesson which all the Labour movements learnt from Marx was the general idea of historical development. They learnt to appreciate the influence of economic conditions, to analyse the existing factors which had to be taken into account in each country, in short, to appreciate correctly the working of capitalism and, in opposition to it, to look forward to the socialisation of the instruments and agencies of production as the end to aim at, and the "class-war" (however interpreted) as the means to that end. Beyond

that common basis, the proletarians of each country have had to work out their own salvation, and their efforts to do so provide illuminating examples of what Marxism finds itself up against when transformed from being an arm-chair theory to a living, practical system of political or economic action. Let us begin first with Germany, the birthplace of Marx and the paradise of the theorist.

(1) *Early Days: Marx and Lassalle*

German Social Democracy begins not with Karl Marx but with Ferdinand Lassalle. It dates its existence from May 23, 1863, when Lassalle founded the Universal Workers' Union of Germany. But in rather more than a year he was dead, killed in a romantic but entirely unnecessary duel with a man against whom he had no quarrel. Still, before his tragic end, he had marked out the lines on which he wished the Labour Movement to develop, and although the future lay not with his own followers but with those of Marx, he had given to it certain quite un-Marxian traits which it has never lost. Born seven years later than Marx, he was, like him, racially but not by religion a Jew; like him, he had studied philosophy at Berlin and became an ardent Hegelian; like him, he was impatient of opposition and intolerant of rivalry. But, unlike Marx, both laborious research and original speculation were uncongenial to him: he was a brilliant, though excitable orator, an agitator rather than a thinker; he popularised the economic ideas of Marx and Rodbertus without adding much of his own, and although the *Iron Law of Wages* is his rather than theirs, it was even so only the statement in an exaggerated form of theories put forward earlier by Ricardo and, to some extent, Turgot also. But his great achievement was

to bring into prominence the social condition of Germany; to make his fellow-countrymen realise that they were deluding themselves grievously if they thought that their country was exempt from the sorrows and sufferings which the Industrial Revolution had brought to England; and having awakened interest, to organise opposition. He described himself (for he suffered from no lack of proper pride) as having "a glowing soul," and much of this fire he managed to communicate to the young Labour movement of Germany. There is no doubt that had he lived longer, he would have come into serious conflict with Marx; even as it was, he had to fight one sharp conflict with what he considered to be a dangerous though seductive enemy, the Co-operative Movement of Schulze-Delitsch. Starting in a modest way in 1849, Schulze had been extremely successful in procuring the formation of Co-operative Associations of all kinds, and by 1860 the membership of these was 200,000 and the annual turnover £6,000,000. Lassalle at first praised Schulze as a philanthropist and benefactor of the working people, as indeed he was, but later assailed him most immoderately, not only attacking his policy but also indulging in a good deal of cheap and quite uncalled-for personal abuse. His serious grounds of objection to the Schulze schemes were that they did not and never could get to the real bottom of the social problem, inasmuch as the Co-operative Associations helped only those who could help themselves (mainly well-to-do artisans and small traders), and did nothing at all for the mass of the wage-earners. Thus the energies which might have been employed undividedly for the proletarian movement were being dissipated. Moreover, Schulze himself was definitely a Radical, not a Socialist. Lassalle, on the other hand, pressed for "productive associations," with capital found

by the State. In April, 1863, though opposing Schulze, he was also paying a generous tribute to the work he had done; in 1864 he was loading him with abuse and trying to detract from the originality of his schemes by making him out to be but a pale reflection of the French economist Bastiat; this was fairly cool, in view of the fact that his own "productive associations" were copied wholesale from those of Louis Blanc. But he might have spared himself this vulgar outburst, for in May, 1863, he practically won his point when, by an overwhelming majority, a large Workingmen's Congress decided in favour of his policy as against that of his rival.

On the 23rd of the same month the Universal Working Men's Association was founded, based, as the statutes said, "on the conviction that the adequate representation of the social interests of the German working classes and the real removal of class antagonism in society can alone be secured by universal, equal and direct suffrage." The movement was thus purely political. The press began to some small extent to support him, and Rodbertus, who had previously stood aloof, now threw the great weight of his influence on to his side. But in spite of all this the Association made little headway, and at Lassalle's death it had as the result of fifteen months' vigorous agitation and organisation a membership of only 4600.

The year 1864 saw not only the death of Lassalle: it saw also the foundation of the "International," and in the autumn William Liebknecht was sent to Germany by Marx as a missionary and organiser on behalf of the new movement. He was immediately successful, largely through the co-operation of Bebel, at that time a young Radical leader but destined to become the most uncompromising of Marxians. Not only were recruits gained for the

"International," but in Germany itself the progressive forces were strengthened by the foundation of the new Social Democratic Labour Party, which was Marxian from the first. Meanwhile the Universal Working Men's Association had, since Lassalle's death, been struggling along in a somewhat chaotic way, but had managed to raise its membership to 20,000. In 1875, however, it decided, at a Congress at Gotha, to amalgamate with Liebknecht's party. The result of this fusion was the publication of the "Gotha programme," which became, and has remained, the basis of German Social Democracy. It is Marxian through and through in the emphasis it lays on the crushing out of the small producer by the concentration of capital, the increasing misery of the proletariat, the effects of commercial crises, the growing bitterness of the Class War, and, above all, the international character of the Labour Movement. "The economic development of society," it says, "must of necessity destroy production on a small scale, the foundation of which is the private ownership by the labourer of the instruments of production. So it separates the labourer from his instruments of production and turns him into a poor proletarian. In the meantime the instruments of production become the monopoly of a comparatively small number of capitalists and landlords. Hand in hand with this monopolisation of the instruments of production, there is a tendency for production on a large scale to push production on a small scale out of existence, for an extended use of machinery, and for a huge increase in the productivity of human labour. But all advantages arising from these changes are monopolised by the capitalists and landowners. For the proletariat and the sinking middle classes—the small shopkeepers and the peasants—the new state of things

means uncertainty of tenure, misery, oppression, slavery, humiliation, exploitation.

The proletariat is constantly increasing in numbers, the army of the unemployed is growing more and more, the opposition between the spoilers and the spoiled becomes increasingly more and more marked, and the Class War between bourgeoisie and proletariat is becoming every day more intense, thus splitting modern society into two hostile camps—a state of things which is prevalent in all industrial countries. The gulf between the "Haves" and the "Have-nots" is being widened by commercial crises, which are part and parcel of the capitalist means of production. These appear and reappear more extensively: they make the existing uncertainty the normal state of modern society, and prove conclusively that the powers of production in modern society have grown out of hand, and that the private ownership of the means of production is incompatible with their most economic application and highest development.

The struggle of the working classes against capitalist exploitation must of necessity be a political struggle. The working classes cannot fight their economic battles nor develop their economic organisation until they possess political rights. They cannot bring about the transference of the instruments of production into the hands of society until they have obtained political power. To shape this struggle of the working classes aright, to give it unity and self-consciousness, to point out what is its specific aim—all this is the task of the Social Democratic party.

In all lands where production is on capitalist lines, the interests of the workers are the same. As international communication is extended, and as production is more and

more for the world market, the condition of the workers in any country becomes more and more dependent on that of the workers in all other countries. Accordingly the liberation of the working classes is a task in which the workers of all civilised countries may participate equally. It is in view of this that the Social Democratic party in Germany regards itself as being at one with the proletarians of all other lands."

This is not only a manifesto thoroughly Marxian in spirit; many of the phrases used are taken direct from the writings of Marx, and yet it is not merely an accident of history that Social Democracy in Germany began not with Marx but with Lassalle. Marxian though it is in many ways, there are in it certain traits which it acquired from Lassalle and which it has never lost—its mistrust (until recently at any rate) of Trade Unions and Co-operative Societies, its reliance on State assistance, the ethical basis of its claims for social justice: none of these would it have got, or at any rate to such a degree, had Marx been its guiding spirit from the very beginning. German Social Democracy has, thus, been primarily political. It was the first Socialist movement to try to get parliamentary representation, and has been by far the most successful. Universal suffrage and voting by ballot were granted in 1867, and in the same year eight members of the party were elected to the Reichstag. Even in 1878 Denmark was the only other country which had Socialist voters, and even so Germany provided 437,158 out of a total of 438,231 ! Twelve years later, when nearly two million Socialist votes were recorded in various countries, five-sixths of them were cast in Germany. In 1903 over three million Germans voted Socialist, and eighty-one members of the party were elected to the Reichstag; while in 1913 the

votes were $4\frac{1}{4}$ millions and the seats gained 110 (or 28 per cent. of the whole Chamber). All this has happened in spite of the savage anti-socialist laws, which between 1878 and 1890 tried in vain to paralyse the growing movement by prohibiting meetings, suppressing newspapers, and all the other machinery of repressive Government action.

(2) *Revisionism*

In Germany the Labour Movement has been from the beginning both Socialist and parliamentary; in France it has been Socialist (of a kind), but largely not parliamentary; in England it has been parliamentary, but for the most part not Socialist. The French Syndicat has been often non- or anti-parliamentary, and the English Trade Union non- or anti-Socialist; nor have the Labour candidates for the English Parliament always been Socialists. It is easier therefore in Germany than in any other country to see how the Socialist movement of the nineteenth century has been able to adapt itself to the new conditions of the twentieth; what fresh questions have arisen for it, and how it has faced them. In what sense is it to be "revolutionary"? Is it to stand alone and uncompromising until the hour of final triumph, or may it use its presence in the Reichstag to get things done by stages, though this may involve co-operation with other parties, perhaps even taking a place in a non-Socialist Ministry? Arising from this, how has it managed to work in with the various purely economic organisations which, though not necessarily Socialist, are invaluable to the worker and make a great appeal to him? Finally, a detail but an important one, what has it produced in the way of an agricultural policy? All

these are obviously questions of the greatest practical importance, and the answers which have been given to them in Germany, may, in view of the Marxian character of the Social Democratic Party, be taken to be more "Marx up to date" than we shall find anywhere else.

But there are certain qualifications which have to be made. If German Socialism is to be taken as a pattern of Socialist development, we must start by making proper allowance for any special circumstances which are due to conditions in Germany or to specifically national characteristics. First of all, it must always be borne in mind that in Germany many electors vote Social Democrat who are not Socialists at all. Liberalism, which began by making a brave show at the Frankfort Parliament of 1848, soon lost heart and became timid, afraid of a "red peril" on the one hand, or of too much State interference on the other. So as time went on, the party's policy became more and more diluted and the party itself more and more insignificant, or at any rate less valuable as a home of really progressive ideas. Accordingly every one who in England would count himself as a Radical (of any sort) has been forced in Germany to vote Socialist, as Social Democracy alone stood for the kind of thing he wanted, even if it stood also for a lot of things which he liked less: thus, for instance, it has been estimated that of the three million votes cast for Social-Democracy in 1907, at least three-quarters of a million were non-Socialist. This has probably not affected the party in the way of making it modify its programme at all, but it has meant that no other party has been sufficiently "advanced" to render co-operation with it either feasible or desirable.

So much for the special conditions of the Socialist movement in Germany in its relation to other parties; next

comes the question of the influence of national characteristics. The German character has in the last few years been so often analysed that little more need be said about it. In particular we have heard *ad nauseam* of the docility of the individual Teuton; but it must be admitted that the German working man, however revolutionary he may appear to be, *is* really a very submissive and tractable creature. Unlike the Frenchman, he is no good at making revolutions; unlike the Englishman, he is no good at getting practical measures passed. He is first, second and last a theorist. "You hide your practical weakness," Jaurès once said to the German Socialists, "behind the verbiage of mere theoretical formulae, which Comrade Kautsky will provide you with till the end of his life." This love of abstract speculation, though it has helped to secure the supremacy of Marxian ideas, has been, very naturally, a real source of weakness also, and is the reason why the practical importance of the Socialist Party has never been as great as its numerical strength would have led one to expect.

The German Social Democrats have, therefore, never been revolutionary in any extreme way: even in the risings of 1848 "the helmets of the heroes were only nightcaps," and from its earliest days the Socialist Party has sought to reach its goal through the agency of parliamentary action, not through violence. This, of course, was the line marked out for it by Lassalle; and although in 1871 Marx was attracted by the Commune in Paris, just as he had been by the movements of 1848, his sympathy with violence was short-lived, and the failure of the Commune discredited this kind of revolution throughout the whole Labour movement, not Germany alone. Marx himself was, after all, only a revolutionary in a very qualified

sense.[1] As Bertrand Russell says: "His doctrine is in a theoretical sense revolutionary, to a degree never attained by any former theory of the world. But practically the revolutionary tendency is neutralised and held in check by the other quality of development, also due to the dialectic method, the quality of inherent necessity and fatality. All change is due to an immanent principle in the actual order of things . . . nothing can hinder the predetermined march of events; the present logically involves the future, and produces it from its own inherent unrest. This fatalism, more than all else, gives to Social Democracy its religious faith and power; this inspires patience and controls the natural inclination to forcible revolution. There is an almost oriental tinge in the belief, shared by all orthodox Marxians, that capitalistic society is doomed, and the advent of the communist state a foreordained necessity."[2] At any rate, since 1871, peaceful and constitutional methods have been everywhere preferred, except in Russia, where there has been till recently no opportunity for parliamentary action. The last fifteen years have witnessed two great and bloody revolutions in Russia. Certain extremists hoped in both instances that the storm would spread to Germany, but in neither case did it do so. Rosa Luxemburg was bitterly disappointed in 1906; she was brutally murdered in 1919. Docile Germany was prepared to praise the Revolutions of Russia but not to imitate them. "We, the revolutionaries," said Engels as long ago as 1895, "are profiting more by lawful than by unlawful and revolutionary means."[3] Having

[1] For a further discussion of this, see pp. 242-248.

[2] *German Social Democracy*, pp. 6, 7.

[3] Introduction to Karl Marx's *Class Warfare in France* (German edition).

started by an agitation for universal suffrage, the German Social Democrats have naturally not repudiated the vote when won. The great question with them has been not whether or no to take part in parliamentary activities, but whether to work in an opportunist way for immediate minor reforms, or to hold aloof until the changes desired can be introduced all together as a complete, fully-worked-out system. Those who hold the former view are called "Reformists" or "Revisionists"; their opponents are "Radicals" or "Revolutionaries," although the Revolution for which they look will be a bloodless one, arising sooner or later through the *political* supremacy of the proletariat. This latter view is more strictly in accordance with orthodox Marxism, with its desire for a neat and comprehensive system, and its emphasis on the Class War. "Reformism" is bound to imply some degree of alliance, however temporary, with bourgeois elements in Reichstag or Parliament, and may therefore lead to an excessive readiness to compromise, and perhaps, in time, to the abandonment of really vital principles. The remarkable thing, however, is that these differences of tactics had not, before the War, broken up the solidarity of the party. This is because there has never, as a matter of fact, been any tendency for the Revisionists to become mere bourgeois. "You may think what you like of us," said Auer, one of the most moderate of this wing of the party, "but do you imagine that I shall even give up my class-consciousness or betray my party to the bourgeois? I tell you it is impossible: to say so is the grossest libel." [1] And the history of the Revisionists substantiates this claim. Class antagonism and class war have kept the party united, in spite of many forces that might have been thought to be dis-

[1] Speech at Dresden in 1901.

integrating—the contrast not only of Radical and Reformist, but also of northerner and southerner, of "intellectual" and manual worker, to say nothing of the purely personal sympathies and antipathies which count for so much and can be so disastrous in their results. It required a world-war to split the party into Majority and Minority Socialists.

After "Revisionism," the question of most importance has been the relation of the party to the Trade Unions and the Co-operative Societies. For a long time the prevailing feeling was one of distrust: this was, of course, due to the Lassalle tradition. About Trade Unions he was quite silent, very naturally, as it was not till some seven or eight years after his death that they were first established in Germany, and he took no particular steps to study the Trade Union movement in England. But Co-operative Societies, as we have seen, he definitely disliked: they were dissipating the forces of progress, and could be of no possible use to the mass of the proletariat, who, by the Iron Law of Wages, would always, under the existing system, be depressed to the lowest level of possible subsistence; on the contrary, they were in effect giving extra profit to the capitalists. Boycotted by the Social Democrats, the Co-operative Stores went through a period of stagnation between 1879 and 1880, during which time their clientèle, the small scale producers, were sinking into the position of wage-earners, as a result of growing capitalism after the successful issue of the War of 1870, thus affording considerable justification for the Marxian views as to the growth of the proletariat. But in 1889 Limited Liability was allowed by law, the Co-operative Societies (especially the stores) revived, and now found themselves eagerly patronised by the working classes, who were much influenced by the discovery that in England they were a

source of strength rather than of weakness to the Labour movement. Number of branches, number of members, amount of trade done, all grew enormously. Moreover the Co-operative movement had become essentially working class. At a Co-operative Congress at Kreuznach in 1902 the original "General Federation" expelled a hundred stores on the ground of Socialist tendencies. This caused a complete disruption. A majority of stores seceded and founded the rival "Central Federation," which was from the beginning almost exclusively working class. Its growth was very rapid, and in 1905 its trade was 188 million marks, as against 58 millions for the old "General Federation," which, in close alliance with the old Credit Banks, continued to rely for support mainly on clerks and small producers. The "Central Federation" has officially no politics, although its members are for the most part Socialists. If the theory of "increasing misery" has latterly been confuted by facts, it is largely owing to the help given to the working classes by the Co-operative Stores and the Trade Unions. These latter, which, like the Co-operative Societies, were no part of the original movement as designed either by Lassalle or by Marx, have also grown enormously, both in numbers and importance. They started far behind the English Trade Unions, as they were prohibited by law until 1890, but to-day they have more than caught up, and form what is in many ways a better organised movement: there is much less overlapping than in England, and this "industrial unionism" has been achieved without sacrificing "sectional" or "craft" interests.[1] There are four main types of Union in Germany

[1] *Vide* G. D. H. Cole, *The World of Labour*, 2nd edit., pp. 169-181, for a full discussion of German as compared with English Trade Unionism.

—the "Free" (Social Democratic), the "Christian," the "Hirsch-Duncker" and the "yellow." The latter are "yellow" or black-leg, subsidised by employers, small in membership, and without influence on the Labour movement. The Hirsch-Duncker, which were the earliest in point of time, claim to be neutral as regards politics, and are on the whole "peaceful," though ready to strike in the last resort if negotiations fail. The "Christian" Unions are mainly composed of Catholics, and do not accept the idea of the Class-War; but from time to time they join in temporary alliance with the ordinary "free" unions, as, for example, in the great Westphalian Coal Strike of 1905. The subjoined figures[1] give the changes of membership between 1905 and 1911, and show how much more important the "free" unions are than either of the other types.

	1905	1911
Free Social Democratic Unions -	1,344,803	2,320,986
Christian Unions - - - -	265,032	340,937
Hirsch-Duncker Unions - -	117,097	107,743

The relations of the "Free" Unions and the Socialist party are summed up by Cole as follows:[2] "The Socialists saw that it would be to their advantage, and to the good of Labour as a whole, that there should be a strong Trade Union movement. They saw, no doubt, also that such a movement would be electorally of the greatest help to them. But they did not make the mistake of the followers of M. Jules Guesde in France, and try to collar the movement

[1] Taken from Cole, p. 172, and W. H. Dawson, *Evolution of Modern Germany*, p. 109.

[2] p. 172.

wholly for politics. They realised that the best chance of harmonious working lay in a clear separation of function, within a recognised unity of purpose. They made no conditions that members of the Free Unions must be Social-Democrats, nor did they attempt to give the Socialist party a false appearance of strength by tacking the Trade Unions forcibly on to its tail. As a result, they have at once the strongest Socialist party and the strongest Trade Union movement in the world."

Both the Trade Unions and the Co-operative Societies have shown themselves invaluable, not only from the every-day benefits they confer on their members, but as a weapon in the Class-War. They are being used with intelligence and enthusiasm as a means of encouraging class-consciousness and class-loyalty. The Labour Movement in Germany might have been more Marxian without them, but it would have been much less effective. No better summary of the way in which the Social Democratic party and the Trade Unions work in with one another can be found than in the resolution passed at the party Congress at Jena in 1905, illustrating also the emphasis laid on political action and the comparatively limited place given to the General Strike :

" In view of the efforts made by the ruling classes and authorities to withhold from the working-class a legitimate influence upon the public ordering of affairs in the Commonwealth, or, so far as the workers have attained any such influence through their representatives in parliament, to take this from them and so render the working-class politically and economically without rights or power, the Congress thinks it right to declare that it is the bounden duty of the entire working-class to resist with every means at its disposal every attack on its rights. In particular,

experience has shown that the governing classes, even those far to the bourgeois left (*i.e.* Liberals) are hostile to the universal, equal, direct and secret suffrage: that they merely tolerate it, but at once try to abolish or impair it, as soon as they think that it imperils their supremacy. . . . But considering that universal, equal, direct and secret suffrage is the starting point for a normal political development of the Commonwealth, with complete freedom of combination for the economic uplifting of the working-class . . . the Congress declares that in case of an attack on universal, equal, direct and secret suffrage, or on the right of combination, it is the duty of the entire working-class to employ vigorously every weapon of defence that seems appropriate.

As one of the most effective weapons to repel such a political crime against the working-class, or to capture an important right as a basis for its emancipation, the Congress recommends, in the case given, *the most comprehensive application of the general refusal to work.* But in order to render the use of this weapon possible, and as effective as possible, the greatest expansion of the political and trade-union organisation of the working-class and the incessant education and enlightment of the masses, by the Labour journals and by agitation and literature, is indispensable . . . Every member of the party is bound to join a trade union, if one exists or can be founded in his trade or calling, and he is bound to support the aims and objects of the trade unions. But it is also the duty of every class-conscious member of a trade union to adhere to the political organisation of his class—the Social Democratic party—and to promote the circulation of Social Democratic literature." [1]

[1] Ensor, *Modern Socialism*, pp. 189-191.

(3) *Socialism and Agriculture*

Marxism is always in difficulties when it gets on to the question of agriculture and the small farmer. Marx himself, of course, saw no difficulty at all: there was going soon to be a concentration of capital in agriculture just as in industry, with the consequent proletarization of all but the few big landowners. "Thus the desire for social changes and the class antagonisms are brought to the same level in the country as in the towns."[1] But Marx had admitted from the first that until this happened the agricultural classes would remain opposed to Socialism. Indeed, Napoleon III. had owed the success of his *coup d'état* to the support given him by the small farmers, who had been frightened by the Revolution of 1848, and had become conservative of the conservatives. Their action "marked them unmistakably as the one class which represented barbarism in the midst of civilisation."[2] But in any case the town would always have to give the lead to the country. "It is borne out by the history of all modern countries that the agricultural population, in consequence of its dispersion over a great space, and of the difficulty of bringing about an agreement among any considerable part of it, can never attempt a successful independent movement."[3] The actual trend of events, however, has made the question much more difficult. The small farmer or peasant has not been crushed out to the degree anticipated, and his resistance to Socialism has therefore not been merely temporary. The Labour movement has thus had to revise its attitude

[1] *Capital*, vol. i. p. 513.

[2] *The Class War in France*, p. 50 (German ed.).

[3] *Revolution and Counter Revolution in Germany in* 1848, London ed., p. 11.

and has been inclined to say to him: "It is true that you have disappointed us; that you have not suffered proletarization (blessed word) on really Marxian lines; but that is no reason why you should not become class-conscious: your position is not as hopeless as we should have liked to have seen it (to satisfy our orthodoxy as Marxians), but it is none too good, and as long as we do not take your small property away from you immediately (perhaps we never shall) you may as well join us in trying to get rid of Industrial Capital, and we will in return help you to such reforms as we can." To what extent is such an attitude compromising vital Marxian principles, or is it merely a legitimate modification of them to suit a set of circumstances quite different from any Marx had anticipated? This problem has always been acuter on the continent than in England, because of the far greater proportion of small peasant proprietors who have always resisted the blandishments of the Socialist propagandist. The question came to a head, as far as Germany was concerned, at the Social Democratic Congress held at Frankfort in 1894. There was general agreement that the existing situation was most unsatisfactory, but that in itself was nothing new. As far back as 1874, William Liebknecht had written "We need the peasant and the small farmer if our struggle is not to be a hopeless one. The fatal opposition between city and country, which has so far hindered and frustrated every movement in the direction of freedom, must cease. . . . The country is what the peasants make it. The French peasantry created an Empire owing to their blind fear of proletarian Socialism." This warning from France had not been forgotten in 1894. "1848 must not repeat itself," said Dr. Schoenlank amid general applause. "When absolutism had reached its fruition (*i.e.* after the *coup*

d'état) the reactionaries promptly made concessions to the peasantry and so won them over. We must be on our guard lest the hobnailed shoes of the peasants' sons be raised against *us*: we must neutralise and pacify them. . . . The Socialist medicine must be administered to the country people in homeopathic doses; otherwise it will kill the peasants."[1] "The agrarian question," said von Vollmar at the same Congress, "will only be finally solved when the land, with all the means of work, is given back to the producers who now, as wage-workers or small peasantry, cultivate it in the service of capitalists. But at present the necessitous condition of the rural worker must be alleviated by fundamental reforms." Accordingly, sub-committees drew up draft-programmes for the three areas of Germany (Northern, Central and Southern), the general principles of which were to leave the actual cultivation of the soil in individual hands, but to nationalise credit and agricultural insurance, and to establish state-aided co-operative societies for the purchase of seeds and agricultural implements, and for the draining and general improvement of the land. But this attempt to prop up the small agriculturalist was at once attacked by the more orthodox Marxians, Engels, in particular, declaring it "stupid and impossible." Shortly afterwards, the Breslau Congress of the Social Democratic party repudiated the Frankfort programmes, and instead adopted as the official attitude towards the agrarian question Kautsky's resolution, which began as follows: "The draft Agrarian Programme proposed by the Agrarian Commission is to be rejected, because it sets before the eyes of the peasantry the improvement of their position, that is, the confirmation of their private ownership; it proclaims the interest of

[1] Quoted by Simkhovitch, p. 61.

agriculture in the modern social system to be an interest of the proletariat; and yet the interest of agriculture, like that of industry, is, under the rule of private property in the means of production, an interest of the possessor of the means of production, who exploits the proletariat. Further, the draft Agrarian Programme suggests new weapons for the State of the exploiting class, and thereby renders the class war of the proletariat more difficult; and, lastly, it sets before the capitalistic State objects which can only be usefully carried out by a State in which the proletariat has captured political power." [1]

But it was recognised that the mere passing of a resolution *not* to help the peasant would not bring him into the Socialist movement, and it was accordingly decided to conduct detailed investigations into the social conditions of agriculture with a view to arriving at a more satisfactory policy. Little, however, was accomplished; Kautsky and David continued to argue for and against peasant proprietorship, and the peasants and labourers continued to vote conservative. The question of arousing class-consciousness remained as far from solution as ever, or rather, class-consciousness was present in the narrowest sense, that of the agricultural class: it was definitely not proletarian class-consciousness.

(4) *Social Democracy since the War*

But all this is, in a sense, dead and gone. The War split the Social Democratic party, the Revolution of 1918 split it still further. Who then are the true Marxians, Majority Socialists, Independent Socialists or Spartacists? As it

[1] Ensor, p. 227.

stands, this is a question of only academic interest, but the "spiritual home" of orthodox Marxism has certainly seen some strange sights recently—the establishment of a Republican Government, in which Socialists took office in alliance with "Democrats" and Clericals; the murder, by the troops of a predominantly Socialist Government, of such Marxian stalwarts as Karl Liebknecht and Rosa Luxemburg: the interesting experiment of government by Councils and a Congress of Councils which, for a time, seemed to promise a much more living expression of democracy than the parliamentary assembly at Weimar; the breakdown of the experiment when, in May, 1919, the Majority Socialists, after some hesitation, refused the Independents equal representation on the Central Council and reconstituted it on more purely Majoritarian lines; and, finally, the interesting political situation which arose after the General Election of June 6, 1920, when a Government was formed without any Socialists in it, although the two largest parties in the Reichstag were Socialist (94 Majority and 81 Independents). For the first time since the Revolution it was possible to consider the situation in a moderately dispassionate way, and to set fundamental principles above opportunist tactics. The Majority Socialists were not prepared to abandon their alliance with the progressive forces of the "Democrats" and the Centre, but they wished the Independents also to join, since, as it stood, the Coalition had only secured the election of 189 members out of 424. The invitation to the Independents and their answer are alike most interesting, as shewing the old Revisionist controversy turning up in a new and acute form. Five days after the Election, Müller, the German President, wrote as follows to Crispian, the leader of the Independents: "In our young German Republic

the participation of the Independent Social Democratic party in the Government appears to me particularly necessary, because only by a coalition strengthened by elements of the Left can our republican institutions be defended against the attacks of the Right, reactionary inroads upon the Eight Hours' Day and upon recent conquests in social legislation be warded off, or a foreign policy be carried out which would satisfy the republican and pacificist ideas of the overwhelming majority of the German people." In the course of his reply, which he made no effort to render conciliatory, Crispian argued that the Independent Social Democratic party could not "join a Government which aims at restoring the capitalistic exploitation, broken down during the war, and revives and strengthens militarism for the purpose of keeping down the proletariat as the existing Coalition has done. . . . The Independent Social Democratic party can only consider—as a transitionary stage—a purely Socialistic Government, where it is in the majority, where it exerts the deciding influence, and where its programme forms the basis of the policy." This answer naturally did not bring the Independents into the Government, but it fetched the Majority Socialists out. They preferred risking reaction to remaining in the ministerial Coalition in face of such opposition from the Independents. Consequently Germany has got a largely Socialist electorate but a purely bourgeois Government. But it is clear that this situation cannot last for long: the Government has not got a majority in the Reichstag, and is only able to survive because the Majority Socialists are unlikely to want to turn it out of office immediately.

Meanwhile, of the two best known living Socialists, one, Bernstein, remains an out-and-out Revisionist (and

incidentally writes illuminating articles in the *New Statesman*); while Kautsky, the other, is vigorously championing Democracy against Lenin's Bolshevism; and in this duel, irreconcilable as are the two points of view, each of the protagonists is firmly convinced of his own orthodoxy as a Marxian.

CHAPTER X

FRENCH SYNDICALISM

(1) *The Basis of Syndicalism*

In Germany the Labour Movement has always worked towards a state of Society in which the State will play a prominent part. In France, suspicion of, or antipathy to the State has been a no less marked characteristic, and while, of course, ordinary State Socialism has counted for a great deal, the special contribution of France to the Labour Movement has undoubtedly been Syndicalism. Although Monsieur Sorel, who was for a long time its chief advocate from the theoretical side, claimed to be strictly a Marxian, or at any rate a neo-Marxian, the movement as a whole may be taken to be severely critical of ordinary Socialism, whether "Revisionist" or "Revolutionary," in so far as ordinary Socialism is either "political" or "democratic." Nationalisation, it was felt, would still preserve, and indeed add to, the hierarchy of officials who control and manage business or industry, and the real emancipation of the wage-earner would be as far off as ever. Moreover, in order to achieve Nationalisation, or even to work towards that end, the Socialist forces have been obliged to organise themselves into an ordinary political party, and any party which joins in the give and

take of parliamentary action is bound to make compromises and soften down the rigour of its revolutionary principles: a "party," moreover, is a much less efficient instrument of action than a "class." Consequently it is urged that both means and ends would be better served by the organisation of independent, self-governing unions of producers (Syndicats): this will be a more satisfactory solution for the future than bureaucratic nationalisation all round, and in the meantime will be a better fighting weapon, because it will involve no abandonment of principles, but will keep alive class-consciousness in its keenest and most uncompromising forms. Political action is unlikely to win what is after all an economic battle, and since the battle is economic it is only right that the battleground should be so also. In this way the Social Movement will remain revolutionary in deed as well as in word, and every strike, even every daily gesture of revolt, will be not an isolated skirmish but an essential part of the main plan of campaign, leading up to the final engagement, the General Strike. But by very reason of its exclusively *economic* action, Syndicalism is careful to declare itself "neutral" towards *political* parties, and the individual member of a Syndicat is therefore free to support the Socialist or any other party he may wish. Indeed Syndicalism has been particularly careful not to cut itself off entirely from immediate and practical reforms of a kind which can only be gained through parliamentary action. The important event in this connection is the C. G. T. Congress at Amiens in 1906,[1] as important in its way as the Congress of the Socialist party at Bordeaux in 1903 when the question of "Revisionism" (or "Reformism," as it is generally

[1] The C.G.T. is the Conféderation Générale du Travail, or General Confederation of Labour.

called in France) was argued at length. At Amiens the Federation of Textile Workers moved that permanent relations should be entered into with the new " Unified " Socialist party, which had just been formed by the fusion, in 1905, of the two existing and previously opposed Socialist sections. It was argued that even if the Social Revolution came *at once*, the Syndicats could not *at once* take over the economic organisation of society, but would for some time have to use the machinery of Government already existing, while the Socialist party had equally always had in front of it not only the every-day improvement of the condition of the working-classes but also their final emancipation from the wages-system. But this proposal was defeated by an overwhelming majority (724-34). This vote implied, however, only that the C. G. T. was going to be " neutral " officially and as an organisation; individually the members were left free to join any party they liked, as long as they did not bring politics into the syndicat; " with regard to every-day reforms, Syndicalism pursues the co-ordination of the efforts of the working-man, the increase of the working-man's welfare through the realisation of immediate ameliorations, such as the diminution of working hours, the increase of wages, etc. But this is only one aspect of its work; Syndicalism is preparing the Integral Emancipation which can be realised only by the expropriation of the capitalist class: it commends as a means to this end the general strike, and considers that the Syndicat, now a group of resistance, in the future will be the group of production and of distribution, the basis of social organisation. The Congress declares that this double task of every-day life and of the future follows from the very situation of the wage-earners, which exerts its pressure upon the working-class and which makes it a duty

for all working-men, whatever their opinion or their political and philosophical tendencies, to belong to the essential group, which is the syndicat; consequently, so far as individuals are concerned, the Congress declares entire liberty for every syndicalist to participate, outside of the trade organisation, in any forms of struggle which correspond to his philosophical or political ideas, confining itself only to asking him, in return, not to introduce into the syndicat the opinions which he professes outside of it." [1]

Syndicalism is therefore not a party programme, it is a class sentiment; but it is also a peculiarly apt form of expression for the French temperament, which is and always has been revolutionary. Up to 1871, the French Labour Movement indulged in either unrealisable Utopias or a succession of plots and attempted assassinations. Only after the tragic failure of the Parisian Commune did this aspect get put aside, and the abandonment of a policy of plots has not been accompanied by any diminution of the revolutionary spirit in the working-men themselves. In fact a modern psychologist might say that the French working-man positively suffers from a "Revolution complex"; and this inhibited desire, inhibited only from the practical impossibility of a modern Revolution being successful, demands some kind of satisfaction, which it finds in Syndicalism, a revolutionary doctrine of violence, though not necessarily of bloodshed: for violence means to the Syndicalist not the massacres and brutality of the "Reign of Terror," which was the form taken by "bourgeois violence": "proletarian violence" may include

[1] Quoted in Levine, *Labour Movement in France* (Columbia University), pp. 173, 4. This and Estey's *Revolutionary Syndicalism* and the relevant chapters in Cole's *Self-Government in Industry* are all worth looking at.

sabotage but means usually "lightning action," or any display of economic force likely to intimidate the employer. The movement demands from its followers a permanent attitude of revolt, an unwearying preparation for the final "Day."

But the pre-'71 movement left behind it another inheritance, the Syndicat: whether it be the jouneymen's guilds, friendly societies, or "societies of resistance," which, in spite of repressive legislation, spread widely at the beginning of the nineteenth century, or the special type of "productive association" planned by Louis Blanc in 1848, workers' associations of some kind or other have always been popular in France, and the Syndicat of the last thirty-five years is merely their modern development. There are, then, two important characteristics of the French working-man, a spirit of revolt and a desire for co-operative action; and each of these finds self-expression in Syndicalism. But the Frenchman is also often inclined to be factious, and this too appears in the fact that the syndicats are often very small: there are only four "national" unions, and the others are Federations of much smaller local syndicats, some of which contain very few members indeed. In Paris alone there are said to be seventeen unions of printers, and nine of sellers of lemonade![1] But it must be conceded that the spirit of particularism is giving way as the ideas of Syndicalism are more fully appreciated, and Industrial Unionism of a most carefully organised kind is getting to be recognised as at any rate an ideal.

[1] Sombart, *op. cit.* p. 235.

(2) *Syndicalism and the Socialist Parties*

The natural characteristic of factiousness has not only affected the Syndicats : it has also been a great stumbling-block in the way of the ordinary Socialist party. The first French Labour Congress (representing Syndicats and Co-operative Societies) was held at Paris in 1876 : Socialism was then repudiated as being a " bourgeois Utopia." But the third Congress (Marseilles, 1879) adopted the title of Socialist Labour Congress, and constituted itself a separate political party, " the Federation of Socialist working-men of France." But secessions at once began to appear. The very next year (at the Havre Congress) the " moderates " split off from the " collectivists," while the latter divided into " anarchists " and " parliamentarians." Yet another split took place the following year, when the " parliamentarians " became divided into " Guesdists " and " Broussists " : nor was this the end, as the " Allemanists " seceded from the " Broussists " soon after, and in turn suffered a defection at the hands of the " Failletists." In addition the " Blanquists " have founded a separate sect, as has Malon's group of " Independents." These dissensions have arisen partly through personal antagonisms and partly through comparatively minor differences as to programmes and tactics. But, to begin with at any rate, they all considered themselves orthodox Marxians. Jules Guesde was the directing spirit of the Marseilles Congress and the real founder of the French Socialist party, and Guesde was a Marxian through and through. Exiled in Switzerland because of his avowed sympathy with the Commune, he had there come into contact with the chief leaders of the " International," and had acquired the orthodox standpoint of " Scientific

Socialism." French Socialism had been previously entirely Utopian, and it was for its Utopianism that it had been condemned at the Congress of 1876 : by 1879 it had become " Scientific." " We believe," wrote Guesde in 1877 (in the very first number of his paper *L'Egalité*), " with the Collectivist School, to which almost all serious-minded members of the working-classes of both hemispheres now belong, that the natural and scientific evolution of mankind leads it irresistibly to the collective appropriation of the soil and of the instruments of labour." But the repetition of Marxian phrases about " scientific evolution " does not of itself produce the Social Revolution, and although Engels had been active in helping Guesde to draw up the Constitution of the party in 1879, some of the other sections into which it so quickly split up were not as Marxian as the Guesdists : for instance, the Broussists made no special claim to accept the dogmas of the Marxians, and were denounced by them as opportunists, too ready to believe in the possibility of reforms within the existing capitalistic society ; on the other hand, to go to the other extreme, the Blanquists clung to the old ideas of plots and intrigues ; [1] they were not deterred by past failures, whereas Marx himself had since 1871 renounced violent action in favour of constitutional activities. In the second half of the '90's great emphasis was laid on the importance of universal suffrage, and in 1896, at a demonstration in which all Socialist parties took part, Millerand won general support when he said : " In order to begin the socialisation of the means of production, it is necessary and sufficient for the Socialist party to pursue the conquest of political power with the help of universal suffrage." But this same

[1] Blanqui himself had attempted two abortive insurrections in the autumn of 1870, and had also figured prominently in the Commune.

Millerand drove a wedge into the Socialist movement, just as it was beginning to become united, when he entered the Waldeck-Rousseau Ministry in 1899, and still more when in 1902 he sanctioned the employment of troops to suppress strikes. The former action was denounced as a violation of the principles of the class struggle, and the latter action was naturally considered still more obnoxious: at the Congress of Bordeaux in 1903 a most interesting debate took place on the general question of Reformism, with special reference to the case of Millerand, who, in the end, was censured but not expelled, although he was in June, 1904, excluded from his local Socialist branch—the Federation of the Seine.[1] In 1908 an important step forward was taken, and the two main sections joined together to form the "United Socialist Party," but, of course, the war, particularly in its later stages, split the party once more into two, just as it had done in Germany. But before the War the general position of instability, and in particular the controversies aroused by the Millerand case, had gone to strengthen the hands of those who on principle disapproved of all parliamentary action, and the natural alternative to this was action through the Syndicats; and therefore it is really only in the ten or twelve years before the War that syndicalism discovered itself as a well-thought-out and well-organised movement.

1902 is an important date, because it saw the amalgamation of the C. G. T. and the Federation of Bourses du Travail. The former (Confédération Générale du Travail or General Confederation of Labour) had been established in 1895 as a non-political federation of Trade Unions.

[1] The most important parts of the Bordeaux debate are reproduced in Ensor's *Modern Socialism*, pp. 162-184.

"Among the various syndicats" (so began the Statutes) "and associations of syndicats of working-men and of employés of both sexes existing in France and its Colonies, there is hereby created an uniform and collective organisation with the name General Confederation of Labour. The elements constituting the General Confederation of Labour will remain independent of all political schools." [1]

The individual Syndicats had been growing considerably in numbers before 1895. In 1884, when legal protection was first given them, their number was 68; in 1890 there were 1006, with a membership of 139,000; and in 1894 there were 2178, with more than 400,000 members, and the great majority of these joined the C. G. T. A few remained for a time in the Guesdist "National Federation." But even in 1902 the C. G. T. was on its own admission weak and apathetic; it had practically no income and still less propaganda; it was saved from extinction by its fusion with the Bourses du Travail. These latter were employment-exchanges, conducted by labour-unions on a geographical basis, and often with financial assistance from the municipalities. Individual bureaux started in 1887, and the Federation in 1892. The union of these two Federations in 1902 was due to a general reaction against parliamentary operations, and a feeling that with rather closer organisation the Syndicats themselves would provide the most effectual channel possible for the expression of "revolutionary" aspirations. Every individual Syndicat in the C. G. T. (the name given after the fusion to the new organisation) had henceforth to accept and acknowledge a double allegiance. It had to belong to the federations (local and national) of its own industry, and also to the local Bourse du Travail. "No Syndicat will be able to form a part of the C. G. T.

[1] Levine, *op. cit.* p. 67.

unless it is federated nationally, and unless it is an adherent of a Bourse du Travail, or a local or departmental Union of Syndicats grouping different associations."[1] The Bourses du Travail continue their own special activities (of organising employment exchanges, collecting statistics of unemployment, etc.) quite independently and without interference, for " the C. G. T., based on the principles of federation and of liberty, assures and respects the complete autonomy of the organisations which conform to the present Statutes."[2] It is claimed that this dual system has the great advantage that the national federations prevent a purely parochial outlook, while the local organisations guarantee proper attention being paid to the special requirements of the different districts. The members " will learn at once the solidarity of all workers in a locality and that of all workers in a trade, and, in learning this, they will learn at the same time the complete solidarity of the whole working-class."[3]

(3) *The Strength and Weakness of Syndicalism*

Starting by being non-political (and with most of its members definitely anti-political) the C. G. T., as already stated, made a momentous decision early after the fusion when, in 1906, it repudiated the suggestion of the political Syndicalists that it should co-operate closely with the newly-unified Socialist party. This decision was perfectly in keeping with the general character of Syndicalism, the essence of which is aloofness from, or hostility to, political and parliamentary action. It starts with the criticism that ordinary Socialism is in constant danger of turning

[1] *Statutes of C.G.T.* (I. 3).
[2] *Statutes of C.G.T.* (XXXVII).
[3] Cole, *World of Labour*, p. 69.

into quiet "bourgeois liberalism," and that successive measures of mild social reform will blunt its keenness for the more thorough-going Social Revolution; furthermore, parliamentary action is likely to produce a ruling caste even among the members of the proletariat, and this clique or caste will quickly lose its class-consciousness. Parliamentary action is also closely connected with Democracy, which means the abolition of classes, and is to be avoided as being also destructive of class-consciousness. Political democracy will never produce the Revolution; Revolutions have always been the work of minorities, as Marx said, "goading the inert mass to action," and the final Social Revolution will be no exception: the general mass of working-men will always have to be driven by the more intelligent class-conscious minority, and the majority must not and cannot dictate its policy to the minority. This is all Marxian enough, for Marx was ever ready to draw attention to the danger of Socialists, when engaged in political action, being seduced by what he called "the parliamentary mania," and equally he never paid any attention to the "lumpen-proletariat," as he nicknamed the unintelligent, unclass-conscious majority of working-men.

It might well be Marx instead of Sorel who wrote: "It is of all things most urgent that capital be encouraged in its efforts to reach technical perfection. For so much the more easy for the coming social order will be the progress of production. Capitalism, if the Revolution is to enjoy the maximum of its success must be overthrown in the very flower of its vitality." And the essential point of Syndicalism, that the emancipation of the workers can only be obtained through their own efforts, is also a well-known Marxian adage.

Syndicalism has therefore been claimed, especially by Sorel, as Marxism improved in the light of subsequent knowledge and experience; "it is only natural that it should be able, with this maturer wisdom, to suggest improvements and correct inaccuracies, and it will therefore, where necessary, repudiate the illusions, the faults, the mistakes of him who has done so much to elaborate revolutionary ideas."[1] For instance, Syndicalists do not believe that capitalist concentration is going on fast along with progressive pauperisation of the masses, or that the Social Revolution will come about through increasing misery. Nor are they prepared to allow very much force to "social determinism" or "Scientific Socialism." "Science has no way of foreseeing," said Sorel, and again, "Socialism is necessarily a very obscure thing, because it treats of production—that is, of what is most mysterious in human activity—and proposes to realise a radical transformation in this region which it is impossible to describe with the clearness which is found in the superficial regions of the world. No effort of thought, no progress of knowledge, no reasonable induction, will ever be able to dispel the mystery which envelops Socialism." If Socialism is like this, it can scarcely be described as scientific, nor can its coming be part of a necessary process of social evolution. Nor is the General Strike a Marxian idea.

It is not surprising, therefore, that many orthodox Marxians have attacked Syndicalism as being in essence anarchical, and so in essence it is; it might well be argued that there is as much of Bakunin in it as there is of Marx; but in reply the Syndicalists would say that the Anarchists

[1] I have throughout this chapter taken M. Sorel as one of the chief representatives of the theoretical side of Syndicalism, although he has more recently disavowed further interest in the movement.

dislike *any kind* of State imaginable, past, present or to be, while they themselves demand the destruction merely of the existing State (which is the political expression of the capitalist *régime*), and claim that Marx would support them in this. The fact of the matter is that the supporters of Syndicalism consist of three elements, persons more or less tinged with Anarchism, orthodox members of the Unified Socialist party, and pure revolutionary Syndicalists with no further label. Naturally Syndicalism means something different to the members of each of these three groups. At one time Syndicalism was also Utopian, as every labour movement in France must be which draws any inspiration from the past. But it has ceased to paint in too much detail the Golden Age of the future, and has concentrated more and more on the every-day struggle. The "General Strike" is still, of course, officially the end to which all activities are directed, but it is doubtful whether any of the leaders of the movement still believe in it as an actual event which will some day come. To theorists like Sorel and Lagardelle it is only a "social myth," something to hold up in front of men as a goal to strive for; in the daily routine struggle men are inspired by having constantly in front of them the picture of a great final battle and a great final victory. Even if this is a delusion, it is a helpful one, and a spur to smaller acts of revolt. The practical leaders too make great use of this conception: as Pouget says: "The Revolution is no longer conceived of as a catastrophe destined to break out some near or distant day: it is conceived as an act realised every day." Strikes, even if unsuccessful, teach solidarity, and are part of the general revolutionary movement, daily acts of revolutionary practice, and from them will evolve in time a complete Revolution. "Every strike is more or less general, and

the same conception embraces them all: from the petty strike in a single workshop to the local, regional, national and international general strikes, all are touched with something of the glamour which attaches to the one great "Social general strike," in which is envisaged the complete overthrow of capitalist society." [1]

The element in Syndicalism, as a possible organisation of society for the future, which commends it most to the modern working-man is, of course, the emphasis it lays on self-government in industry; but although Sorel claims that Syndicalism "is filled with an insatiable desire for seeing things as they are," there is the danger of an Utopian element coming in here. Are the Syndicats competent by themselves to take over the organisation and control of so elaborate a concern as is a modern industry? and to what extent is Lagardelle likely to be correct in his prophecy that "all the noble feelings which patriotism calls forth —heroism, self-sacrifice and unflinching obedience—the qualities which form the eternal foundation of life—will not cease to exist but, on the contrary, will continue to grow in the soul of the workers who are filled with the revolutionary spirit?" In short, if a Syndicalist organisation of society came to-morrow or six months hence, would it make a good thing of it? Great importance is always attached to the educative influence of the Syndicats as schools of experience and morality, and there is undoubtedly tremendous scope inside any trade union for the acquisition of knowledge not only about matters of immediate concern to the trade, but about all the technical processes of production and marketing: but how much of this larger knowledge is at the moment being acquired and how much effort is being made to get it disseminated? If the Social

[1] Cole, *op. cit.* p. 93.

Revolution comes by slow degrees, by the time it is here the necessary experience and insight may have been gained, and groups of producers may be really able to supplant State and capitalist alike, and take over complete control of their industries; and in the same way the feeling of responsibility to the consumer and to the whole community, of "being on one's honour," as Mr. Cole puts it, may be grasped with all its implications. But it is Utopian to expect that a catastrophic Revolution, following a successful General Strike in the immediate future, would find the Syndicats fit, as their supporters would claim that they are, to undertake the great responsibilities which would be placed upon them. It is, I think, for this reason unfortunate that Syndicalism has not made more use of the opportunities afforded by the Co-operative movement, which, of course, has of late years made great advances in France as in every other country. Besides over 2000 stores, there were in 1907, 362 co-operative production societies; and although very few working-men were members of these latter, in them many lessons of practical value might have been learnt.

Besides this, Syndicalism, as a routine form of Trade Unionism (*i.e.* leaving aside future possibilities) has in it certain practical elements of weakness: the C. G. T. is poor; the contributions it gets from the Syndicats are slender in amount and contributed with reluctance; nor in the Syndicats themselves are there accumulated funds sufficient to fight a protracted battle: most of them do not even pay sick-benefit. This produces instability in the ordinary working of the unions, although it also stimulates enthusiasm and solidarity in time of strikes, as appeals for financial support are then issued and largely responded to throughout the whole Trade Union Movement. But it

also means that strikes are on the whole less often successful than they are in England. To make up for lack of staying power, lightning action or "sabotage" is often relied on; the latter is considered perfectly legitimate on the general principle of bad work in return for bad pay, and a successful version of it was seen when the barbers of Paris shaved completely the heads of those of their customers who demanded hair cuts after what they considered ought to be closing time; by this action they secured shorter hours and one rest day a week. Another form of "sabotage," often recommended on the ground that it does nothing to lower the morality of the workers, is to work very slowly but very well; thus capitalist jerry-builders were fought by really solid and artistic work, carried out with extreme slowness.

Syndicalism in France is not only financially poor, it is also numerically weak. In 1910 there were apparently less than a million organised workers in French industry, including those who were members of "yellow" or "non-fighting" syndicats. Of these Mr. Cole thinks that about 500,000 were members of the C. G. T.; anyhow the numbers are not great, and by no means all of these are Syndicalists in the "revolutionary" sense. It has been claimed by Sombart that the existing state of representation is such that a minority of individuals are able to stamp their "revolutionary" policy on an organisation the majority of the members of which are *not* Syndicalist in this sense. Levine, on the other hand, denies this, although admitting that it is extraordinarily hard to estimate the exact number of "revolutionary syndicalists" in the C. G. T.[1] It is

[1] It is very difficult to get any figures about French Trade Unionism which will not be misleading. *Vide* Sombart, p. 239, Levine, p. 192, and Cole, p. 61.

mainly from the necessity of obtaining greater numerical strength that concrete, and seemingly "reformist," measures like limitation of the hours of work, are pushed forward to bring in workmen who otherwise would not join the movement; but even here the ulterior object is kept in view: "In the struggle for the Eight Hours' Day," writes M. Lagardelle, "the eight hours were often forgotten, and the class-war alone remembered."

But whether weak or strong, rich or poor, Syndicalism must be considered to be the special contribution of France to the Labour movement. It may truly be said to be the natural product of French economic conditions combined with the special characteristics of the French workingman. He seems to be by nature an anti-reformist, acting on impulse, easily swayed by emotion, "more capable of a single great effort than of monotonous and patient labour.[1] He has never forgotten the long succession of revolts which culminated in 1871, and he is glad to continue them in however modified a form. The Anarchism, which is beyond all possibility of denial a considerable element in the movement, has made an appeal not so much to the town-workers as to the peasants; and this is significant in view of their continued hostility to Socialism. Furthermore, national characteristics have been reinforced by economic conditions. Industries in France are often on a small scale, with a good deal of handicraft still lingering on, and these types of economic structure would more readily suggest the idea of federated groups of producers than would the big Textile and Iron Industries of England and Germany.

In Italy the conditions are in every way so similar to those of France that it is not surprising that a certain

[1] Weill, *Histoire du Mouvement Sociale en France*, p. 505.

amount of Syndicalism has grown up there also. But it is not of very great account. The Italian Labour Movement is anyhow of recent growth. At a Social Congress held at Genoa in 1892 there were present men of every shade of opinion, and a wild medley of views was expressed. After this, however, orthodox Marxism began to grow very rapidly, mainly owing to the missionary efforts of Professor Antonio Labriola, who has written a great deal about Marx; and Filippo Turati, the editor of an important Socialist weekly paper. It has been more successful in Italy than anywhere else in making a favourable impression on the agricultural population of the country, peasants and small farmers. The inevitable controversy as to Revisionism soon appeared, and was settled at a Congress at Bologna in 1904, when the "revolutionary" wing won by a small majority; and yet their leader, Ferri, was not himself an uncompromising opponent of opportunist tactics. "Scientific Socialism," he said, "under the direct influence of Marxism has disavowed the old methods of Revolution, romantic though they seemed. . . . Marxian Socialism has made it clear to the great proletarian army of sufferers that it possesses no magic formulae, whereby to change the world at one stroke." Consequently, although "Revisionism" was defeated in 1904, Syndicalism was defeated far more heavily when it came up as a question at the Socialist Conference in Rome in 1906, the "Revolutionary Syndicalists" getting only 5278 votes as against 26,549 cast against them. In 1907 they held a Congress of their own at Ferrara, and have since then been an independent body, though not very important. Since the War, however, Syndicalism in Italy has become a force by no means to be despised.

Whether Revolutionary Syndicalism will become a movement of more general extension may perhaps be doubted. It has made little headway in Germany, and in England, after a very brief phase of popularity, has been altered almost out of recognition: in Italy, as we have seen, it has gained a certain amount of ground, because the conditions favourable—taken in a narrower way—to its growth have been much the same as in France. But as the French form of Trade Unionism, it is both interesting and important. Mr. Ensor said of it in January, 1907: "For the present it may probably be dismissed as moribund; but it needs to be carefully appreciated, both because of its prominence in the tale of the past year, and because it is certain periodically to recrudesce."[1] This prophecy has been only partly fulfilled: Syndicalism is not moribund merely because it has not spread beyond the country of its birth, and a movement which is so acute in its criticisms and which succeeds in satisfying both the revolutionary and the co-operative instincts of its adherents will not be content with merely periodic recrudescences.

[1] Introduction to 2nd edition of *Modern Socialism*.

CHAPTER XI

THE LABOUR MOVEMENT IN RUSSIA

(1) *Early Movements*

Russia has passed through two Revolutions in the last fifteen years, and the effect of these has naturally been to distract attention from its earlier social history, which, as imagined by many, is merely a record of the Nihilism of the revolutionaries and the counter-terrorism of the Government. As a matter of fact, there has been in progress, since the emancipation of the serfs in 1861, a social movement of very great importance, and the dramatic events of 1905 and 1917 gain additional interest when looked on as the culminating points of this earlier, confused and immature development. Confused and immature it must certainly be confessed to have been, as was inevitable in a country where up-to-date capitalism existed side by side with the primitive "mir," where there was no real middle-class, and where the agricultural population was an overwhelmingly large proportion of the whole; where, too, an autocratic government alternated measures of savage repression with concessions of an almost quixotic liberality. If it has been difficult for the Labour Movement, in the more or less democratic countries of Western Europe, to make up its mind as to what its tactics should be (whether

its line of action should be mainly political or economic, whether it should or should not co-operate with liberal but bourgeois elements and so forth), it may well be imagined that in Russia the problem has been still harder, the policy pursued still less consistent, the factions within the movement still more bitter and numerous.

Only the briefest summary is here possible, but attention must be drawn to the curious "V Narod" movement of the early seventies, when those of the educated youth of Russia who had "Labour" sympathies abandoned their homes and chosen careers, in order to live among the people and be *of* the people. The movement failed, for they found it hard to get into real touch with the peasants and workmen, who, though technically "emancipated," were quite uneducated, and showed themselves unresponsive or even hostile; the discomfort of the life and the apparent hopelessness of the task discouraged many; the wholesale arrests made by the Government completed the process of disillusionment. But though the peasants had not been stirred, the thinking elements in Russia had been (and not only those among them who had actually joined in the "V Narod" crusade), and henceforward the permanent hostility of this "intelligentsia" to the autocracy became very marked.

But Marx was not without wisdom when he said that the emancipation of the workers must come through the workers themselves, and it was an important step forward when, in 1877, the North Russian Working Men's Union was formed, a purely working-class organisation, with a programme which was both political and economic. The Government, however, was going through a repressive phase—a reaction from the liberal policy of the '60's. The hard-won concession of trial by jury was not applied to political cases,

which were handed over to Courts Martial, and the assassination of the Czar Alexander II. in March, 1881, led to still further oppression; the new Czar, Alexander III., was much under the influence of his former tutor, Pobydonostsev, who, as Procurator of the Holy Synod, was able to exercise great influence, all of which went in the direction of the completest autocracy. He was learned and sincere, but a bigot, genuinely convinced that Western Europe was an example to be avoided rather than imitated, and that salvation for Russia was to be found in Orthodoxy (as against either Free Thought or Liberal Christianity), Nationalism (as against Internationalism), and Autocracy (as against any form of self government, political or economic). From the point of view of practical action, a rigid censorship was established, and the incipient Working Men's Unions dissolved or driven underground: the leaders of advanced opinions were imprisoned, flogged, sent to Siberia, or forcibly enlisted in "penal battalions" of the army. It is not surprising that a systematic policy of terrorism should have been the answer given to all this by social revolutionaries.

But Revolutionary Terrorism was compounded of many elements (Anarchist as well as Socialist), and for our purpose the Social Democratic movement is more important. This may be said to have started with the "Emancipation of Labour," a social democratic organisation founded in 1883 by a group of refugees in Switzerland, whose manifesto, written by Plekhanov, appeared in 1885. It was, as he said, really a leading article rather than a programme, but it stated the Marxian point of view very forcibly: "The present development of international commerce has made it inevitable that the revolution can be forced on only by the participation in it of the social

movement of the whole civilised world. Since the liberation of the working-men must be the act of the working-men themselves, and since the interests of labour are in general diametrically opposed to the interests of the exploiters, and since, therefore, the upper classes must always try to prevent the reorganisation of the social relations, the inevitable condition precedent to this reorganisation must be the taking possession by the working-classes of the political power in any given country." He recognised that the problem was different in every land, and that there were peculiar difficulties in a country like Russia, " where the labouring classes find themselves under the double yoke of capitalism and of an expiring patriarchal economy." Plekhanov was responsible also for converting Russian Socialists to the view that the full cycle of Marxian evolution must be gone through in Russia as everywhere else, and that it was impossible to think, as many had done, that the capitalist stage could be cut out, and the country proceed at once from agricultural feudalism to proletarian Socialism. This was undoubtedly a great point gained from the point of view of clear appreciation of the real situation. A similar group was formed in Petrograd[1] about the same time, but was soon broken up by the police. But Marxism was getting its hold on the intelligentsia, and a general interest in economic questions was being aroused.

Spontaneous working-class organisations grew up from about 1892 onwards, following on trade depression and a serious famine in the previous year. But though these were genuinely working-class in origin, their numbers were very small, and the vast majority of workers were entirely untouched; moreover, their interpretations of Marxism

[1] It is better to use the name to which we have become accustomed, even though it seems odd when talking about pre-war Russia.

led them, erroneously, to refuse deliberately any imitation of the English Trade Union movement, on the ground that it was purely opportunist and had no final aims in the way of conquest of political power by the proletariat. It was not, therefore, only Government hostility which was responsible for the fact that Trade Unions, in our sense of the word, simply did not exist in Russia during the last decade of the nineteenth century. Even Friendly Societies for mutual assistance (giving sick benefit, unemployment pay, etc.) did not arise until after 1890. The formation of a Russian Social Democratic Working-men's Party in 1897 was another step forward, and was noticeable for the appearance in it of Lenin, who headed what was really the strongest of the three sections into which the party was at first divided : this group wanted only limited centralisation, preserving a secret " General Staff " but allowing much autonomy for the " army " of local organisations. The party manifesto was very much on the lines suggested by Lenin : it emphasised the important lessons of the Parisian Revolution of 1848 (just as Lenin has done in his quite recent propagandist pamphlets), and in particular the great lesson that the proletariat must stand by itself and not rely on bourgeois support ; immediate economic needs must give way to the final goal " the great historical mission of the proletariat." But in the end more centralisation was provided for than Lenin approved ; and he was justified, for centralised organisations are not popular in Russia, and little support was forthcoming for the party. Moreover, all the time a spy had been present in the inner councils of the movement, with the natural consequence that the leaders were arrested, and the party ceased to exist.

(2) *The Government and the Unions*

In the meantime the Government had not been inactive, nor had it confined itself merely to coercive and repressive legislation. Of this latter there had been, of course, a great deal: in particular the laws against strikes were until 1905 most severe, and even since 1905 strikes have been forbidden, under heavy penalties, to railway employees or persons engaged in any business vitally affecting the public interest. Special legislation was passed in 1906, prohibiting strikes among agricultural labourers. But at the same time the Government has to its credit a considerable amount of useful factory legislation, going back to 1882, when the hours of employment for "young persons" were limited by law. Factory inspectors were established, with enormous powers, and a liberal scheme of Workmen's Insurance was set on foot. But this not inconsiderable measure of social reform has been essentially bureaucratic and authoritarian; it has been imposed by the Government, and has not come about through voluntary agreements between employers and employed. Moreover, the employers have often been able to secure modifications of the law, and factory inspectors have not been impartial in their administration. But if such legislation had not existed, it is probable that the growth in Russia of a fully developed capitalist system would have been accompanied with far more suffering than has actually been the case. From a purely economic point of view, a passing reference should be made to Ludwig Koop, a German, at one time a clerk in a Manchester business and at a later time "Cotton Dictator" of Russia. Not merely did he himself own large cotton mills, but he was always ready to bring over from England factories, ready made and ready staffed,

and sell them to would-be manufacturers, who, however, had always to establish to his satisfaction their likelihood of making a success of the venture when started. In this way he did much towards "Europeanising" the crude capitalism which was all that Russia seemed otherwise able to produce, and the lessons which he taught the cotton trade were appreciated by other branches of industry also.

The Social Democratic movement meantime was finding itself by no means in harmony with the Social Revolutionary movement, and was itself suffering from factions and dissensions, to such an extent that it was said that "wherever two Russian Social Democrats meet together, there will be three social democratic parties."[1] The Socialist movement in Russia has been uncertain whether to make itself into primarily an economic or a political movement. It has not found it easy to be both concurrently; but at the end of the nineteenth century the political side was coming to the front and giving considerable apprehension to the Government. The working-men seemed for the first time to be getting involved in revolutionary propaganda, and a curious policy was adopted to combat the danger. Zubátov, the originator of the new ideas, was chief of the Political Department of the Moscow police, but had been at one time himself a revolutionary. He now suggested that working-men's organisations should be definitely encouraged, but that they should be directed into exclusively economic channels. Strikes for higher wages should be allowed, and everything possible done to divert them from political to economic interests. It was hoped that by these means they would be induced entirely to give up their growing connection with the Social Revolu-

[1] Quoted by Mavor, *Economic History of Russia*, vol. ii. p. 160.

tionaries. A somewhat similar policy had been adopted towards the Intelligentsia about ten years before, when what was called " legalised Marxism " had been encouraged, that is, the study of the economic side of Marx to the exclusion of the more definitely political and revolutionary aspects. Zubátov's idea was that these working-men's unions should be entirely under police supervision, and police pressure was actually sometimes used to obtain from recalcitrant manufacturers the terms which the working-men were demanding, at the instigation of Zubátov's agents. But when, at Odessa, in 1903, the police actually fomented a strike, which was only suppressed after considerable bloodshed, the movement was seen to have gone too far, and Zubátov was dismissed from his post. The working-men had for some time been suspicious of him, and when by degrees, after his downfall, his methods came to light, they were not unnaturally furious. They immediately left the Zubátov unions, but the lessons in combination which they had learnt were not forgotten. Thus this curious phase came to an end, leaving the working-men with an increased taste for organised action, and an experience, such as they had never had before, of what free discussion could be like without police interference. They had learnt to formulate labour demands, but they had also lost sympathy with the intelligentsia. In this point only may Zubátov be said to have succeeded. He had taught the working-men to attack private employers, not the whole system of the State ; but he had also taught them to realise their strength.

(3) *The Revolutions of* 1903 *and* 1905

With the revolutionary movements of 1903 and 1905 we get on to more recent, and more familiar, history. The position of the peasants calls for some comment. At first they had not been inclined to respond to revolutionary propaganda, but now they were becoming aroused. It is significant that in the Manifesto of the Working-men's Party in 1897 (see above, p. 198) no mention had been made of any agrarian policy. The Social Democrats, like true Marxians, had always looked on the peasants as likely to hinder rather than help the proletarian movement. The Social Revolutionaries, on the other hand, had not made much headway with the industrial proletariat, because they had endeavoured to explain to them that the strike movement was not an end in itself, not even, as the Social Democrats were arguing, the sign of an awakening class-consciousness. This had made them appear almost to be hostile to the Labour movement as such; but with the peasants they had been more successful, and in 1902 the Peasants' Union issued a manifestó to all Social Revolutionaries in which they urged that effective propaganda should be carried on among the peasants, who were by no means the "dark, hopeless, inert and reactionary mass" they had been made out to be: "the patience of the peasant masses is almost exhausted . . . we shall ourselves set fire to this combustible material with the torch of the struggle for liberty. In the streets of the towns and in the fire of the terror the rotten structure of the autocracy shall be destroyed."[1] In the summer of 1905 the "All-Russian Peasant Union" was founded, and held a congress which passed a resolution declaring that "the land must

[1] Quoted by Mavor, *op. cit.* p. 178.

be considered the common property of all the people, and that private property must be abolished," with modified compensation for private owners, but none at all for the Czar or the Church. Although this movement spread fast, with a programme in many ways more extreme than that of either the Social Democrats or the Social Revolutionaries, the bulk of the peasants had not reasoned the question out fully, and were not really prepared for socialisation of the land. If land became "the common property of the people," it meant that the landlord ceased to own it, and, as they were the people, they would presumably own it themselves instead; that is what they thought then, and that is also the line they have taken since the Revolution of 1917.

The General Strike of 1903 and the Strikes and Revolution of 1905 were the result of the rise of political thought among the working-men, making them resent more than ever before the coercion and repression of the Government. The unsuccessful war with Japan added to the existing discontent, and in the country districts rise of rents, shortage of agricultural capital and recurring periods of depression were also contributory causes. But the proletarian unanimity, which gave the Revolution its earlier successes, was short-lived, because it was essentially negative, based on common opposition to the Czarist autocracy, but with no common constructive policy. "The Extreme Groups were irreconcilable. They demanded a democracy, but they required that the democracy should share and act upon their sectarian doctrines."[1] One thing was clear: things could not remain as they were. Further changes were bound to come; and it may well be doubted whether, even if there had been no European war, Revolution could

[1] Mavor, p. 598.

have been averted, save by considerably more fundamental changes than would ever have come from such tepid constitutionalism as that of Stolypin.

Marxism in Russia has counted for a great deal, although it is less easy to work out its precise influence there than it is in France, Germany or England. But it may safely be said that every advanced thinker or leader has read Marx and been influenced by him, whether the result has been to make him a Social Democrat or a Social Revolutionary. The Marxism of the middle of the nineteenth century, when taken as a dogmatic creed for a later period with changed conditions, has been a disintegrating rather than uniting force in every country, but the Revisionist-Radical controversy has, owing to the special circumstances of the case, been more acute in Russia than elsewhere. Within each of the sections (S. Ds and S. Rs), " wings," factions and groups have arisen, and the existence of the sharply defined but numerically insignificant " intelligentsia," and of the great mass of the peasants, unproletarized and yet in their own way class-conscious, has made the problem of labour organisation especially difficult. Bolshevism may represent to-day a party, a class, a nation, but to begin with it was only a sect. At the Second Congress of the Social Democratic party in 1903, a split took place between the Majority and the Minority; the latter were in favour of parliamentary action and co-operation with other parties; the former were much more extreme. They wanted the party to stand alone and uncompromising; they based their hopes not on parliamentary activity, but on active, though secret, propaganda among the masses; they disapproved of terrorism only because it seemed at the moment ineffective, and they were prepared, ultimately, to welcome a general and

ruthless insurrection. These were the first Bolsheviks,[1] and they were led by Lenin. It was his second important appearance on the historical scene.[2]

[1] So-called because they were in a majority at this particular Congress, but the name has been attached to them and their policy ever since: their opponents in 1903 were the "Minority men" or Mensheviks.

[2] For his first, see above, p. 198.

CHAPTER XII

BOLSHEVISM AND THE DICTATORSHIP OF THE PROLETARIAT

(1) *Marx, Lenin and Kautsky*

Ex Oriente Lux. For many, a new hope has arisen since the overthrow of Czarism in Russia in the spring of 1917, and the establishment of the Soviet Government in the autumn of that year. This latter is, by many, hailed as the beginning of the Social Revolution, so long and so eagerly expected, which is to sweep triumphantly over the whole world, and put an end to the exploitation and misery of the proletariat of all countries. To many others, of course, Bolshevism is something very different, a foul and insidious pest to be exterminated at all costs. It would obviously be futile to attempt here any detailed examination of the good and bad qualities of Bolshevism and Soviet Government (the two, incidentally, are not identical). The question is much too vast, the evidence too confused. In particular it is almost impossible to estimate what relation the theories of Bolshevism, as put forward for propaganda purposes, bear to their practical application; indeed the difficulty of finding out exactly what is going on in Soviet Russia seems to increase in direct proportion to the number of books written about it by first-hand

observers. But without committing ourselves to any final verdict, we may gather a great deal that is extremely illuminating from the controversy that has recently been going on between Lenin, the Russian Bolshevik, and Kautsky, the German Social Democrat. Fortunately the salient features of this duel can be appreciated without difficulty as the most important books are easily accessible, to wit, Lenin's *The State and Revolution*[1] and Kautsky's *The Dictatorship of the Proletariat*,[2] and also Lenin's reply, *The Proletarian Revolution*,[3] which has, as an attractive sub-title, "Kautsky the Renegade." The sub-title of Lenin's earlier book is "Marxist teaching on the State and the task of the Proletariat in the Revolution." Kautsky, as we are reminded in the preface to his book, had the "laborious and difficult work of editing the literary remains of Karl Marx." It is therefore not surprising, though very significant, that these two writers, poles apart in their attitude towards Bolshevism, are both concerned to prove, before anything else, their loyal adherence to Marxian orthodoxy. Obviously both cannot be right, but the interesting thing is that both consider it necessary to make the attempt. In Lenin's first book, Marx and Engels are quoted so often and at such length, that the main argument would be in danger of getting obscured were it not that Lenin is so anxious also to drive home his practical points that they force themselves in on every page, wedged in between long extracts from the *Communist Manifesto* or Engels' criticism of the Erfurt Programme. Engels, incidentally, is quoted far more often than Marx.

[1] Published by the British Socialist Party, price 6d.
[2] National Labour Press, 2s. 6d.
[3] British Socialist Party, 2s.

Lenin's first point, one might almost say his obsession, is detestation of the State, which had been shown by Marx to be "the organ of class domination," "the product and the manifestation of the irreconcilability of class antagonisms."[1] Engels is next quoted to prove that one of the main distinguishing features of the State is "the establishment of a public power which is no longer identical with the population, and which is organised as an armed force."[2] The alternative, "a self-acting armed organisation of the population," is incompatible with the existence of a society split up into classes, and as there must be *some* coercive authority in every society, the purely class machinery of "the standing army, police and the bureaucracy" has been brought into being and may be considered as being practically equivalent to the State: it is, at any rate, the State in essence, and only by a serious distortion of Marxism can it be pretended that the State is an organ for the reconciliation of classes.

The second main point, therefore, arising from the first, is that the State must be destroyed—forcibly and quickly. Several pages[3] are taken up with a discussion of a passage in Engels' *Anti-Dühring*, where "the withering away" of the State is foreshadowed, and Lenin is at pains to show that only another serious distortion can turn this into a "quenching, if not, negation of Revolution" (on the grounds that what is going to wither away should not be forcibly abolished). On the contrary, Engels particularly emphasised the fact that the Bourgeois State must be violently destroyed by the proletarian Revolution, but went on to say that ultimately even the proletarian State would gradually wither away, since, when there is

[1] *The State and Revolution*, p. 11.
[2] *Ibid.* p. 13. [3] *Ibid.* pp. 19-26.

nobody to be oppressed, "there will be no need for any special force of oppression, no need for the State." At present, the argument runs, the exploiting classes need the State in order to repress the proletariat. After the Revolution the proletariat need the State for a time in order to repress the exploiters, but when these latter have finally been merged in the proletariat, the need for repression, and consequently the need for the State, will entirely disappear. This is a most important point, as it distinguishes Lenin from the Anarchists, who wish here and now to do away with the State in any form. This, however, he thinks, would be a mistake, as it would mean skipping the important intermediate stage of the dictatorship of the proletariat. There will in time come a society in which there will be no coercive organisation except society itself, "the self-acting armed organisation of the people," but first must come the Revolutionary stage and "Revolution is undoubtedly the most authoritative thing possible" (*i.e.* not anarchical). Marx, Lenin goes on,[1] had foreseen all this, and had expressly announced it in the course of his famous "criticism of the Gotha programme," a letter written in 1875, at the time of the formation of the German Social Democratic Party, but not published till 1891. "Between Capitalist and Communist society there lies a period of revolutionary transformation from the former to the latter. A stage of political transition corresponds to this period, and the State during this period can be no other than the revolutionary dictatorship of the proletariat." A sharp distinction is drawn by the Bolsheviks between Socialism and Communism (as seen in their recent letter to the I. L. P.), partly because Communism was the early Marxian phrase (as, for instance, the quotation

[1] p. 86.

above; see also p. 15), and partly because nowadays Socialism is so often identified with the Social movement inside the bourgeois democratic state, which is directly opposed to Communism, especially since, as Trotsky says: "Socialist Reformism has actually turned into Socialist Imperialism." [1]

A middle course, Lenin says, has to be steered between opportunism and Utopianism. The former is wrong, because it is inclined to ally itself with the "mercenary and corrupt parliamentarism of capitalist society." The latter is also wrong, because it tries to construct "new" societies, which have not been evolved in the ordinary course of nature from the old. Marx, of course, avoids each of these dangers. Writing of the Parisian Commune, he says: "It was to have been not a parliamentary but a working corporation, legislative and executive at one and the same time. Instead of deciding once in three or six years which member of the ruling class was to "represent" and repress the people in Parliament, universal suffrage was to serve the people, organised in communes, as a means of securing the necessary workers, controllers, clerks and so forth for its business." Lenin proposes to take on the methods suggested by the Commune, not to do away immediately with all management and subordination (which would be Utopian), but to construct a new bureaucracy, which will do for the present but will later become superfluous. Both in government and in industrial production, the new must be an obvious growth from the old. "Human nature itself cannot do without subordination, without control, without managers and clerks." "The specific 'bossing' methods of the State officials can and must begin to be replaced—immediately, within

[1] *War or Revolution* (Socialist Labour Press), p. 27.

twenty-four hours—by the simple functions of managers and clerks, functions which are now already quite within the capacity of the average townsman and can well be performed for a working-man's wage. . . . The mechanism of social management is already to hand. We have but to overthrow the capitalists, to crush with the iron hand of the armed workers the resistance of these exploiters . . . and we have before us a highly-technically-fashioned machine freed of its parasites, which can quite well be set going by the united workers themselves, hiring their own technical advisers, their own inspectors, their own clerks, and paying them all, as indeed every "State" official, the usual worker's wage."[1]

Lenin is out to shew himself a thorough-going Marxian. The name of Bakunin is scarcely once mentioned; and yet if Lenin's obsession is the State, it was Bakunin's also. It is true that Lenin allows, as Bakunin did not, for this transitional period of the proletariat State, but in each case the ideal, whether immediately or ultimately, is a society in which the State will not exist. For comparison with the theory and practice of Bolshevism, the following extracts from Bakunin's *Words Addressed to Students* (Geneva, 1869) are interesting: "Robbery is one of the most honourable forms of Russian national life. The brigand is a hero, the defender, the popular avenger, the irreconcilable enemy of the State. . . . He who does not understand robbery can understand nothing in the history of the Russian masses. . . . It is through brigandage only that the vitality, passion and force of the people are established. . . . The brigands scattered in the forests, the cities and villages of all Russia, and the brigands confined in the innumerable prisons of the Empire,

[1] *The State and Revolution*, pp. 51, 52.

form a unique and indivisable world, strongly bound together, the world of the Russian Revolution." [1]

There is very little in Lenin's book about the Soviets, but a great deal about what he calls "the vulgarisation of Marx by the Opportunists"; and Kautsky, of course, is attacked point by point and all along the line. His evasions, omissions and shufflings have led to a complete surrender to opportunism. He suffered "a pitiful political bankruptcy during the war."

If Kautsky is a political bankrupt, he does not seem to know it. His counter-attack against Lenin is vigorous and well directed, from the standpoint of an ordinary German Social Democrat with "revisionist" tendencies. His main points are that no sort of Dictatorship can ever be a substitute for Democracy, and that Marx confirms this inasmuch as the Paris Commune at one and the same time was called "the Dictatorship of the Proletariat," and was based on universal suffrage; [2] he suggests, moreover, that it was distinctly unfortunate (to put it mildly) that the superiority of the Soviets to the Constituent Assembly (as a form of democratic institution) was only discovered after the Bolshevists had found themselves in a minority in the latter.[3] Again, if the Soviets really had the majority of the country behind them, as they claimed, why was it necessary to disfranchise all their opponents? [4] Would it not have been simpler merely to outvote them? Finally, how is the continuance, nay, extension of peasant proprietorship consistent with the Soviet resolutions about the abolition of all private property in land? [5]

[1] *L'Alliance de la Democratie*, pp. 64, 65.

[2] *Dictatorship of the Proletariat*, p. 44.

[3] *Op. cit.* p. 66. [4] *Op. cit.* p. 78. [5] *Op. cit.* p. 190.

(2) *Lenin's Defence of the Soviet Republic*

To these objections Lenin's *Proletarian Revolution* is a reply; it is a pity that so much of the book is taken up with personal abuse (on nearly every page Kautsky is either "renegade" or "Mr. Muddlehead") as much of the argument appears, granted the Bolshevist premises, to be thoroughly sound and cogent. Kautsky is offering "a merely verbal adhesion to Marxism" (Lenin claims to have shown this as far back as 1915), and his attachment to "pure" or "formal" democracy is based on a complete neglect of the distinction between general democracy and bourgeois democracy. The latter, which is all that democracy means nowadays, is a powerful weapon of class domination, just as the State is. Lenin goes on with the interesting, but highly disputable statement, that in a bourgeois democracy "the protection of minorities is extended by the ruling party only to the other bourgeois parties; while on all fundamental issues the working-class gets, instead of the protection of minorities, martial law and pogroms. The more developed democracy is, the nearer at hand is the danger of a pogrom or civil war in connection with any profound political divergence which threatens the existence of the bourgeoisie."[1] "Proletarian Democracy," on the other hand, "is a million times more democratic than the most democratic *régime* in a bourgeois republic."[2] If this is so, we come back to Kautsky's question, why was it essential to exclude capitalists, etc., from voting? "If they had found themselves an insignificant minority they would more easily have reconciled

[1] *Op. cit.* p. 27. The examples given are not altogether convincing, though the recent persecution of certain minorities in the United States might have been made more of. [2] *Op cit.* p. 30.

themselves to their fate." This answer is, of course, that "in any and every serious revolution a long, obstinate, desperate resistance of the exploiters, who for many years will yet enjoy great advantages over the exploited, constitutes the rule." [1] In such circumstances, the ordinary relations of majority and minority have no meaning. "Clever Kautsky has seen many instances in history, and, of course, knows it perfectly well by observation of real life, that there are plenty of such landlords and capitalists who are ready to obey the will of a majority of the oppressed." [2] It is quite absurd to speak as though the Parisian Commune had rested on universal suffrage, and not merely on the universal suffrage of the proletariat. Their opponents had run away to Versailles, where they had "concentrated the entire militant and politically active section of the bourgeoisie." Of course they did not join in the universal suffrage of the Commune. When Kautsky quotes the words of Engels, "universal suffrage is an index of the maturity of the working-class," he omits to finish the quotation "it cannot, and will not, give anything more in the present State." On the other hand, "it would be rash to guarantee in advance that the impending proletarian revolution in Europe will, all or for the most part, be accompanied by a restriction of the franchise in the case of the bourgeoisie." [3] In Russia, owing to the special conditions, it *was* necessary, and it *may* be found to be elsewhere, but "it is not necessarily implied in the idea of dictatorship."

Lenin devotes a plausible, but not entirely convincing, chapter to the relations between the Constituent Assembly and the Soviet Republic. He rebuts Kautsky's accusation that the former was only shelved when it was found that

[1] *Op. cit.* p. 37. [2] *Op. cit.* p. 59. [3] *Op cit.* p. 39.

the Bolsheviks would be in a minority in it, by showing that "the revolutionary Social Democracy has repeatedly, since the very beginning of the revolution of 1917, emphasised the view that the Soviet Republic is a higher form of Democracy than the ordinary bourgeois republic with a Constituent Assembly."[1] "As an historian, Kautsky would not have been able to deny that bourgeois parliaments are the organs of this or another class; but now Kautsky wanted (in the interests of the dirty cause of abandoning the revolution) to forget his Marxism, and therefore he carefully avoids asking the question as to what class the Constituent Assembly in Russia was the organ of."[2] If one is prepared to accept Lenin's claim "that the interests of the proletariat and of the proletariat class-war stand above everything else"—and far, far above adherence to "formal" but unreal democracy —the setting aside of the Constituent Assembly will not appear quite as preposterous as it has been represented, and at any rate it must be admitted to have been not inconsistent with Lenin's attitude throughout. On the other hand, he is less convincing when he attempts to show that as a matter of fact the Soviets *are* more representative of Russian opinion than the Assembly would have been. The country may or may not be behind the Bolsheviks, but further proof is required than the fact that at the second All-Russian Congress of Soviets, November 10, 1917, 51 per cent. of the delegates were Bolshevik, and that by July 17, 1918 (the 5th Congress), the percentage had risen to 66.[3] There may, of course, be plenty of other evidence, but by itself this is not very impressive, especially if most of the non-Bolshevik elements have had difficulties put in the way of their voting.

[1] *Op. cit.* p. 51. [2] *Op. cit.* p. 47. [3] p. 57.

Lenin's answer to Kautsky on the question of peasant proprietorship is very interesting. The expropriation of the landlords was not immediately followed by a practical socialisation of all the land of Russia, because it is no good trying to take short cuts and produce a new thing until all the possibilities of the old have been exhausted (this is a very Marxian line of thought). The Czarist *régime* had been overthrown not by the proletariat alone, but by them in conjunction with the progressive elements among the bourgeoisie; in fact, it had been primarily a bourgeois revolution, and this was one reason why, at first at any rate, the summoning of a Constituent Assembly was necessary. This bourgeois revolution had to be carried through to the end, and during this process peasant proprietorship had to be supported as a temporary measure. "But in 1917, from April onwards, and long before the November revolution,—that is, long before we assumed power, we said,—and explained publicly to the people, that the revolution would no longer be able to stop at this stage, as the country had gone beyond that, as capitalism had advanced, and as ruin had attained such gigantic dimensions as to demand, whether one wanted it or not, a further advance towards Socialism. For there was no other way of advancing, of saving the country, worn out by the war, and of relieving the sufferings of the workers and the exploited. It turned out just as we had predicted. The course of the Revolution bore out the truth of our arguments. First, there was a movement, in conjunction with the *entire*[1] peasantry, against the monarchy, against the landlords, against mediaevalism, and to that extent the revolution remained a bourgeois, a bourgeois-democratic one. Then it became a movement in conjunction with the

[1] My italics.

poorest peasantry, with the semi-proletariat, with all the exploited against capitalism, including the village rich, the village vultures and speculators, and to that extent the revolution became a Socialist one. To attempt to put artificially a Chinese wall between the two stages, and to separate them by any other factor than the degree of preparedness of the proletariat and of its unity with the village poor, means completely to pervert and to vulgarise Marxism and to replace it by Liberalism." [1] And again, "the proletarians were saying to the peasants: 'We shall help you to attain this ideal form of capitalism (since equalisation of land tenure is the idealisation of capitalism from the point of view of the small producer); but by doing so we shall demonstrate to you its inadequacy and the necessity of passing to the social tillage of the land,'" [2] *i.e.* abolition of private ownership.

We look with interest to see what the two antagonists will have to say about England. Kautsky quotes [3] a speech made by Marx in 1872 at the conclusion of the Hague Congress, which (to all intents and purposes) wound up the First International: [4] "The worker must one day capture political power . . . we know that the institutions, the manners and the customs of the various countries must be considered, and we do not deny that there are countries like England and America, and, if I understood your arrangements better, I might even add Holland, where the worker may attain his object by peaceful means. But not in all countries is this the case." Lenin anticipated that use would be made of this speech, and gave his answer in his first book: [5] "To-day, in 1917, in the epoch of

[1] *Op. cit.* pp. 91, 92.
[2] *Op. cit.* p. 103.
[3] *Dictatorship of the Proletariat*, p. 10.
[4] See above, p. 58.
[5] *Op. cit.* p. 40.

the first great imperialist war, this distinction of Marx's becomes unreal, and England and America, the greatest and last representatives of Anglo-Saxon "liberty" in the sense of the absence of militarism and bureaucracy, have to-day completely rolled down into the dirty, bloody morass of military-bureaucratic conditions common to all Europe." And therefore a violent revolution is as necessary in England and America as anywhere else. Kautsky, however, refuses to be convinced: "In a democratic republic, where the people's rights have been firmly established for decades, perhaps centuries, rights which the people conquered by revolution, and maintained or extended, thus compelling the respect of the ruling classes for the masses, in such a community the forms of transition would certainly be different from those in a State where a military despotism has been accustomed to rule by force, and hold the masses of the people in check." [1]

Lenin makes considerable play with his postscripts. The first book was written during August and September, 1917, but "the final part of the book devoted to the lessons of the Russian Revolutions of 1905 and 1917 will probably have to be put off for a long time. It is more pleasant and useful to live through the experience of a revolution than to write about it." So says the author in his postscript of December, 1917. But of course the proletarian revolution of November, '17, was expected to lead on to others, and in the postscript to his second book he says: "The above lines were written on November 9, 1918. In the night following, news was received from Germany announcing the beginning of a victorious revolution, at first at Kiel and other northern towns and ports, where power had passed into the hands of the Councils of Workers

[1] *Dictatorship of the Proletariat*, p. 11.

and Soldiers' delegates, and then in Berlin, where the authority has also passed into the hand of the Soviet. The conclusion which I was going to write on Kautsky's pamphlet and on the proletarian revolution has thereby been rendered superfluous." The postscript is dated November 10. November 11, 1918, is perhaps an even more important day in history, and the anticipated Soviet Government in Germany has still not arrived.

(3) *The Present Position in Russia*

It would not be true to say that the Social-Democrat and the Bolshevik do not understand one another. Lenin understands Kautsky, but Kautsky does not understand Lenin. Kautsky's position will naturally command much greater sympathy among the democratic peoples of Western Europe, but Lenin is much clearer in his terminology and, apparently, in his appreciation of the facts of the situation. To Kautsky democracy remains one and indivisible. It has become to him a fetich. He will not admit its weaknesses, or recognise that sometimes it will defeat the object it is professing to have in view. If we are prepared to agree with the desirability of such a proletarian triumph as Lenin wishes to establish, we can have no quarrel with him over his attitude to the State and to ordinary democracy. He obviously knows exactly what he is out for, and how to get there, and nowhere has he shown his ability so clearly as in his refusal to attempt an immediate reorganisation of society in accordance with his own predilections the very moment he appeared to have the power to do so.

But even so, the Soviet Republic will have to be judged on its practical working rather than on its theories, and

Kautsky certainly makes a strong point when he says that Socialism of Lenin's kind not only should not be introduced until the country is really prepared to support it, but also until economic conditions are suitable. It is only a half answer to say, as Lenin does, that it is ridiculous "to want to see a general well-being brought about in nine months after a ruinous war of four years, and under a sabotage and numerous insurrections of the bourgeoisie, aided and abetted on all sides by foreign capitalists." Allowances must, of course, be made for all this, and it would be foolish to judge Bolshevism as a general system because of any lack of success in coping with special problems which, after all, were not of its own making, but are a legacy from the old Czarist *régime*. At the same time, if we attempt to assess the success or failure of Bolshevism we must remember that Lenin claims to be before all things a "realist," and that therefore he would judge himself to have failed if he could be shown not to have taken the obvious difficulties into full consideration, and to have attempted to carry through changes in the social structure which were impossible of immediate realisation. But for these reasons, what is happening in Russia can scarcely be taken as an authoritative argument for or against any similar policy in England, or Western Europe generally, unless we can be sure that the good or bad features are inherent in the system itself, and not due to the special circumstances of Russia; and about this we require far fuller and more accurate information. Such questions as the following require an answer, if we can get it: to what extent have the workers achieved practical control over industry, and in any case is such control exercised in a local or in a centralised way? Is the proletarian State producing its own bureaucracy on the lines

suggested by Lenin,[1] or is it finding the task of organising industry in a socialist manner impossible ? If so, to what extent is this due to a failure to secure the services of expert organisers and skilled artisans ? Is there an unavoidable shortage of these, or has the Soviet Republic been unable to arrive at a satisfactory *modus vivendi* even with such of these as *do* exist ? If economic relations were restored with Western Europe, to what extent would it be possible to reopen some of the industrial concerns which have been closed during the last three years ? Are the Co-operative Societies, which were making such headway just before the Revolution, still under the close control of the local Soviets, or have they been allowed to work out their own independent line of development ? And (perhaps most important of all) what is happening to the peasants ? Have they seen the folly, as Lenin would put it, of small ownership, or are they still opposed to any real nationalisation of the land and ready to support a counter-revolutionary movement if ever the Soviets attempt to abolish their private property ?

In addition, one would, of course, welcome eagerly, from the political side, any information, which could be guaranteed absolutely correct, about the practical working of the Soviets as a system of local and national government, the way in which the elections are actually carried out, and the extent to which it is possible to keep the chosen bodies, by " recall " and other similar means, really in close touch with the feeling of those who elected them.

It is by the answers to these questions, when we can get them, that the Soviet Republic must ultimately be judged. Allowance must be made for the special difficulties which the Bolsheviks have had to face, and it can scarcely be

[1] See above, p. 210.

expected that the men who have experienced the rigours of the twentieth century Czarism will make revolutions in the comparatively bloodless manner of the English Whigs of 1688. On the other hand, whether or no we accept the conclusions arrived at by Mr. Bertrand Russell,[1] we must at any rate applaud the frankness which does not allow him to find in Soviet Russia exactly what his preconceived ideas had led him to expect; and this seems to be, in dealing with Bolshevism, a somewhat rare quality of mind.

Moscow, it must always be remembered, is not only the headquarters of the Soviet Republic, it is also the seat of the "3rd International," and the complications to which this situation gives rise have been explained, in an article in the *New Statesman* of 7th August, in a manner so illuminating as to justify a lengthy quotation:

"The Communist, or Bolshevik, Movement at present includes three distinct elements. Its Russian supporters are not Socialists playing their usual and comparatively simple *rôle* of opposition to a capitalist Government, but Socialists upon whom the responsibility of government directly rests. Of its other adherents, one group comes from countries possessing strong Communist movements, in which a revolution that may place them in power seems at least possible in the early future. The remainder represent fractions coming from countries in which there is, almost admittedly, no prospect of revolution. The attitude of these groups, so far as they consist of rational persons, naturally tends to be different. Whatever they may sometimes say, with the purpose either of shocking or of embarrassing their Labour or Capitalist opponents, we may assume that the real leaders of Soviet Russia are far more

[1] Articles in the *Nation*, July and August, 1920.

intent on consolidating their gains and establishing a durable system in the territory which they control than on fermenting world revolution at the imminent risk of destroying themselves. Both the remaining groups, on the other hand, want the Russian Revolution to help them in their struggle with their own governing classes. Whether their immediate object is actual revolution or, as here, only revolutionary agitation, they want the Red Flag to fly at Moscow as a danger signal to capitalists and a rallying point for revolutionaries. Moscow, while pursuing in its diplomatic relations its own policy of peace and consolidation, is quite willing to abet them as far as it can without endangering this policy. It is, indeed, positively to its advantage that the danger signal should fly as conspicuously as the peace ensign while negotiations are going on. While, therefore, M. Tchitcherin and Lord Curzon exchange polite notes and proposals, the Third International sends forth to the world messages designed *pour épater*, not merely the *bourgeois*, but also the official Socialists and Labour leaders of the various countries. It is the present "game" of the Third International to appear a good deal more extreme than it really is, or would be if action, rather than words, were in question. This, indeed, appears plainly enough when, after their revolutionary mission has been painted in the reddest pigments, the practical advice given by Lenin to British Communists is that they should affiliate to the Labour Party, and thus indirectly become a part of the Second International with which the Third is openly at war."

CHAPTER XIII

ENGLISH SOCIALISM AND THE 2ND "INTERNATIONAL"

No description has been given of the British Labour Movement, partly because its history is better known, or at any rate more easily accessible,[1] than that of the Continental movements, and partly because the influence of Marx has here counted for so much less. On the Continent it would, I think, be true to say that the Labour movements could not have got on without Marx: he was indispensable in their early stages; he saved proletarianism from lack of ideals, and Socialism from ideals that were impossibly Utopian; "he brought the Socialist thought into proletarian life, and proletarian life into Socialist thought."[2] But in England he was practically unknown until "popularised" by Hyndman in 1880, and by that time the Labour Movement stood well on its feet, and had already acquired what has all through been its special characteristic, concentration on Trade Union activities, going back to that great triumph of organisation, the

[1] In addition to the many small books on the history of Socialism and the Trade Union movement, reference should be made to two larger works—the new edition of Sidney and Beatrice Webb's *Trade Unionism* and the second volume of Beer's *History of British Socialism*.

[2] Jaurès' *Studies in Socialism*, p. 133.

foundation of the A. S. E. in 1851.[1] Hence in England the Labour Union has always counted for more than the Labour Party. But not only was Marx late in appearing on the English scene, he was also anyhow very un-English in his whole outlook; his habit of mind, of looking at subjects in an abstract way, making generalisations, fitting everything into neat categories, was not naturally attractive to English workmen, while on the other hand they looked to him in vain for what they most wanted, practical advice for the immediate future. They were not even quite sure whether he sympathised with their attempts to get the hours of labour reduced;[2] they knew that he regarded the co-operative movement without enthusiasm. And if they were going to look beyond immediate reforms, they wanted something definite. They were not inspired by a gospel of historical tendencies and the inevitable triumph of the proletariat; they wanted to know rather more exactly how this would come about, and what it would be like when achieved. When Marx scornfully refused "to write the kitchen recipes of the future" they felt that he was refusing just what they wanted him to do.[3] When "Scientific Socialism" failed to prophecy concerning the future, they turned to the Utopians, and William Morris, by his *Dream of John Ball* and *News from Nowhere*, gave them an inspiration which was not to be found in *Capital* or even in the *Communist Manifesto*. For one thing, it satisfied their ethical requirements. They had been definitely

[1] Of course there had been many Trade Unions before 1851, but it was the success of this amalgamation which made British Trade Unionism an active and efficient movement.

[2] He was at one time against the Ten Hours Bill.

[3] And, no doubt, contrasted it with Cobbett's expressed hope that he would, before he died, have "mended the meals of millions."

repelled by the absence from Marx of any moral idea. The whole history of the Chartist movement, and the great body of anti-capitalist writings, at that time and just before it, testify abundantly to the Englishman's desire for an ethical basis, for which processes of evolution are no substitute. That is why in England we have had neo-Marxism but not Marxism. Latterly, of course, there have been many thorough-going English Marxians, and yet even now the Trade Unions are far from being exclusively Socialists, while of the Socialists themselves many are Marxians only in the modified "revisionist" sense of the word.

In England, in fact, the "World of Labour" does indeed seem another world not only from that of capital but from that of the Labour movements on the Continent. *There*, if we are Socialists, we breathe an atmosphere of permanent class-warfare, of bitter contempt for even advanced Radicals who are not Socialists, and contempt still more bitter for those Socialists whose views diverge from ours by ever so little. On one point only do we all agree: we all claim to be Marxians, however much we may also arrogate to ourselves the right to improve upon the master and bring him up to date. Occasionally we patronise him, "a great man, of course, but now sadly behind the times, in some ways almost a bourgeois." More often we regard him with superstitious reverence as both infallible and unambiguous, and are filled with amazement that other Socialists can distort him into interpretations which are, to us, so obviously contrary to the whole tenor of his teaching. But in England this atmosphere is wholly lacking; our Socialists read their Marx, or at any rate never let it be suspected that they have failed to do so, but their attitude to Marxism is

very often that of Lord Melbourne to religion. "Religion," he said, "is all very well in its way, but things have come to a pretty pass if it's to be allowed to interfere in a man's private life." In the same way I cannot help feeling that the English Socialists only allow to Marxism a very limited sphere of activity. The phrases about "bourgeois" and "proletarian" are repeated, but without conviction. They do not seem to correspond to any real distinction in our social life. The typical "contemptible petty bourgeois" is almost as hard to find as that rare, if not non-existent and purely legendary, figure, "the average Englishman." "Class-war" conveys a somewhat more definite idea; but though the phrase may be flung about by a permanently-embittered Glasgow deportee or a temporarily-embittered Prime Minister, we ourselves are far more conscious of the fact that to divide the country into the "two great hostile camps" of bourgeois and proletarian is to produce a quite artificial simplification, corresponding in no way to the real situation, where there are many grades, even of manual labourers, and the "social pyramid" is composed of layers which fade off imperceptibly into one another and where clear-cut class-consciousness is not easily produced. It may be, of course, that the groups or classes intermediate between the two extremes are foolish in not realising that the class-war is already here, and that they ought by now to have chosen their sides; it may even be that they *have* chosen, albeit unconsciously, and that any one who is not a self-conscious proletarian is on the side of the exploiting capitalist, however advanced his views on social questions may appear to himself to be. But it is also possible that we are allowing ourselves to be obsessed by the military metaphors, of war, camps, choosing sides and the like, and that the

apparent absence of any large amount of class consciousness does indeed correspond to the actual facts of the situation.

But quite recently a change has come over the Continental Labour movements, which are to-day approximating far more to England, *so far as the "revisionist" elements in each country are concerned.* This can be seen clearly from the proceedings of the 2nd "International" at Geneva in August, 1920. The 1st "International," as we have seen, ceased to exist, as far as Europe was concerned, after 1872, and leaving aside Bakunin's Anarchist Federation we come on to the foundation of the 2nd "International" in 1889, with its organisation much improved, since 1900, by the establishment of a central International Socialist Bureau as a permanent executive committee in the intervals between the various International Congresses. The solidarity of the International Labour movement was, very naturally, roughly shaken by the war, and that section of Socialists in each country which remained to the end uncompromisingly opposed to its participation in the war cast adrift from the older association and formed in March, 1919, what is now generally known as the 3rd or Moscow International.[1] Affiliated to this are the extreme Socialist sections in each country, but the main support comes from the Italians, the German Minority Socialists, and, of course, the Russian Bolsheviks. In London a very new section of Communists (practically identical with the British Socialist Party) has just been

[1] For the history of the transitional period, when it was still uncertain whether the old "2nd International" could be revived in a manner satisfactory to all parties, and for much other interesting information, see R. P. Dutt, *The Two Internationals*, 1920 (Labour Research Dept., and George Allen and Unwin).

formed; while the French Socialists are, as a party, not yet committed either way. The main strength of the 2nd International Congress lay in the British delegation (representing the Labour Party, the Fabian Society and the Parliamentary Committee of the Trade Union Congress), the German Majority Socialists and the Belgians. Individual representatives came from many other countries, including France, Holland, Denmark, Switzerland, Russia and Italy. This Congress is remarkable in various ways.[1]

To begin with, it gives us for the first time a detailed definition of the familiar term "Proletariat." "In the term we include not merely the manual working wage-earners, but also the intellectual workers of all kinds, the independent handicraftsmen and peasant cultivators, and, in short, all those who co-operate by their exertions in the production of utilities of any kind." Only non-working landlords and receivers of dividends "live by owning," and are excluded. This is, indeed, a widening of the term.

Secondly, the Congress has explained, what no previous International Congress has done, exactly what is meant by "Socialisation" and how it is to be achieved. The process is to be gradual, each industry being turned into a public service as it becomes ripe for the change, with compensation for individual owners, to be paid out of funds raised from various forms of taxation of property-owners as a whole; peasant-proprietors, where they exist, are not to be expropriated. "In the large measure of freedom that will be characteristic of a Socialist Community, the adoption of the principle of Socialisation does not exclude production by individual peasants on the nation's land, or by independent craftsmen working on

[1] *Vide* article in *New Statesman*, 14th August, 1920.

their own account, or by artists of any kind, or by members of the brain-working professions, provided always that they do not exploit the labour of other persons." The administration of each "Socialised" industry will be much on the lines laid down by Mr. Justice Sankey for Coal, or by Mr. E. E. Plumb for the American Railways (the "Plumb plan"). In every case control will be shared, whether in the National or the Local Boards, between representatives of the managers and technical experts, of the mass of the workers, and of the community as consumers.

Furthermore, the Congress has definitely repudiated any form of "Dictatorship" (whether of the "proletariat," the Trade Unions or any one else), and wishes for ordinary Parliamentary Government, of course with ministerial responsibility and universal suffrage, although an increasing amount of supervision in industrial matters is to be delegated to the Trade Unions and professional associations. The 2nd International is thus manifesting in a marked degree those traits which we had considered above as peculiarly the characteristic of the *British* Labour Movement. In particular, the Congress all through laid great emphasis on the idea of service to the community; even if the abandonment of the dictatorship of the proletariat, and the extraordinarily wide interpretation given to the term "proletarian," can be reconciled with Marxism, the distinctly ethical standpoint adopted is certainly not Marxian. But whether Marx himself would have felt more at home in the 3rd International it may perhaps be doubted.

CHAPTER XIV

WHAT THE WORKER WANTS

Mr. H. G. Wells has some interesting, and as I think true, things to say about Marx. "His life," he says,[1] "was the life of a recluse from affairs, an invalid's life;[2] a large part of it was spent round and about the British Museum Reading-room, and his conception of Socialism and the social process has at once the spacious vistas given by the historical habit and the abstract quality which comes with a divorce from practical experience of human government. . . . As a consequence Marx, and, still more, the early Marxists were, and are, negligent of the necessities of Government and crude in their notions of class action. . . . The constructive part of the Marxist system was weak. It has no psychology. Contrasted indeed with the splendid destructive criticisms that preceded it, it seems indeed trivial. It diagnoses a disease admirably, and then suggests rather an incantation than a remedy." . . . The Marxist system has no psychology: it suggests an incantation rather than a remedy. It is certain that to-day no remedy will prove acceptable which is not also based on a sure foundation of psychology. The

[1] *New Worlds for Old*, p. 227.

[2] This, of course, is a rather absurd overstatement.

English worker has also had no psychology, and has looked in vain for a remedy; he has always been uncertain of what he wanted. In the early days of capitalism he never decided between two claims, each possible and apparently reasonable, but not consistent with the other. Was Labour to claim its right to the whole produce of Labour (all that it made, and *it* alone made anything) or was it to claim its right to a subsistence in accordance with a decent standard of living, and the wages necessary to make this possible? Sometimes one and sometimes the other was claimed. But now the worker has a new demand, which to some extent includes the other two: it is for Self Government in Industry. Now this claim is a strong one, because it is based entirely on what seem true psychological grounds. It is something more than subservience to a formula, that where there is political democracy there shall be economic democracy also. Nor is it a mere arrogant desire to assume power and turn the tables on the former oppressor. Something of this there may be in it, but there is also something more elementary, corresponding to a definite psychological need. The present system arouses widespread discontent because under it there appears to be inequitable distribution of the world's goods. But there is another and more serious objection, that under it some of the most important of the human instincts get suppressed or repressed. Whatever form the social unrest may take, whatever may appear to be its origin or its most likely cure, the basis is and must be ultimately psychological. The ordinary, normal individual is a bundle of impulses which are perfectly easy to ascertain, and which, if unduly suppressed, cause the proper development of personality to be thwarted; friction will then occur, even though the real cause may be obscured under a mass of worries

and troubles which are the symptoms of a nervous disease rather than the disease itself.

What, then, are the human instincts, and in what way do they, if given sufficient scope, affect adversely the worker in relation to his work? "The instincts whose functioning throws light upon human behaviour as it is revealed in industry" are, according to a modern writer on industrial psychology,[1] the following:

(1) The parental instinct, (2) the sex instinct, (3) the instinct of workmanship, (4) the instinct of acquisitiveness, (5) the instinct of self-assertion, (6) the instinct of self-abasement, (7) the hero instinct, (8) the instinct of pugnacity, (9) the play impulse, (10) the instinct of curiosity. He goes on to say: "Since we are less concerned with the constituent nature of these impulses than with the character of the behaviour to which they prompt, it is irrelevant to discuss whether certain of them are or are not reduced to their simplest terms. Scholars may decide that the impulse to workmanship is only a specific manifestation of the instinct of self-assertion or that the tendency is a complex of the pugnacious, parental and some other instincts. Their decisions will affect only slightly the validity of the conclusions reached."

If we look at every-day industrial life in the light of these instincts we shall find explanations of much that at present seems merely an ugly manifestation of idleness or even innate badness. Thus, slow work is not necessarily due to general slackness: it is more likely to be a somewhat distressing manifestation of the parental instinct. Industrial depressions recur at intervals, bringing with them unem-

[1] Ordway Tead, *Instincts in Industry*, p. 11. The list he gives is substantially in agreement with M'Dougall, Graham Wallas and other authorities on Social Psychology.

ployment; this in its turn may mean starvation for wife and children, and the fear of it becomes so haunting that the worker will take any and every step to avoid losing his job. The most obvious thing for him to do is to work slowly and spin out any job that at the time he may be employed on, for so long as it lasts he is safe. Even if employment is brisk at the moment, the same policy holds, for if he once shews himself a quick worker, he will be expected always to attain to this high standard, and the scanty jobs, which are all he looks for in bad times, will be got through all the sooner. This effect of the nervous apprehension of unemployment is probably not consciously recognised, and, of course, brings the serious danger that the workman concerned may get himself into the habit of slow work, and that this may lead to a permanent lowering of standard and degradation of character. It is in any case not an attractive feature of modern life, but it is at least intelligible.

Sometimes this form of psychological "ca-canny" is enforced collectively against an individual who would personally like to work quickly, and this when it occurs is a form of "Trade Union tyranny" which is especially denounced. But here too there may well be a genuine reason with which it is hard not to sympathise. The parental instinct, expressed in the form of clinging to a job in order to ensure subsistence for self, wife and family, will sometimes suggest not working slowly but working hard, overworking very often, so as to guarantee that "who ever else is sacked *I* shall be kept on as indispensable." In such cases "it would be most unsound to conclude that labour organisations wish to place self-assertiveness under a ban. Their intention is merely to protect the less aggressive and less ambitious men from

being pushed to the wall in any fruitless struggle for a survival of the fit in each shop. In this case naive obedience to instinct would be disastrous. Each individual worker produces all he can only at the probable danger of soon wearing himself out and of seeing his rate of pay fall lower and lower."[1] The unions are generally protecting the stronger men from overstrain, and the weaker men from unemployment. Some system of spreading out the work is inevitable if we do not want to have a large and half starving "surplus army of labour," and yet are unprepared to adopt any adequate scheme of unemployment insurance to be borne as a charge on the whole industry concerned. Here too the danger is that the grossly slack and incompetent will be sheltered unduly, and it cannot be denied that this often happens. But this kind of ca-canny, whether collective or individual, must not be judged only by the abuses to which it may give rise. It is definitely a symptom of the faulty adjustment of our modern industrial system to the nature and instincts of the human beings who have to live under it.

One of three things may happen to instincts, as they arise in us. They may be satisfied by finding expression; they may be kept under, repressed consciously or suppressed unconsciously; or they may be sublimated, *i.e.* worked off into other channels than the most obvious ones, as when a man with strongly developed instincts of pugnacity and anti-clericalism (an instinct carelessly omitted by Mr. Tead !) sublimates them by beating the vicar at golf. The most natural thing for an instinct to do is to find some sort of direct expression, but it does not follow that this will be one useful to the community. Thus the ca-canny actions mentioned above

[1] Ordway Tead, *op. cit.* pp. 93-94.

are one of the forms of expression taken by the parental instinct when its possessor is engaged in industry. In this way the instinct does succeed in satisfying itself, but by a form of expression which is socially undesirable. In other cases the instinct fails to find expression, and is suppressed (or repressed). This does not mean that it is got rid of, but merely that it is driven under ground, where it will work actively and produce results which are not the less potent because their cause is not easily recognisable. Thus in every-day industrial life such instincts as acquisitiveness and self display (a form of self-assertion), and often even workmanship gets little or no opportunity for self-expression (the struggle for mere existence bulking large to the exclusion of all else) and the accumulated mass of these suppressed instincts can only find outlet in a general feeling of unrest and discontent. So much for expression and suppression. The third case, the sublimation of instincts, is not primarily an industrial problem. There exist in us without doubt certain traits which are unsocial or even anti-social, and these require to be worked off in as harmless a way as possible; but such instincts are not peculiarly connected with any maladjustment of our economic system, and are, in fact, problems of general social behaviour.

We are, it would appear, definitely impoverishing the personality of the workers (quite apart from producing industrial friction) by refusing them opportunities for the expression of those instincts which are strong and healthy, and in addition useful for economic life. Any system is to be praised which can satisfy their instincts of acquisitiveness and workmanship, or which can awaken an increased sense of responsibility or aptitude for leadership. If it can do this, Self Government in industry has important

arguments on its side. It is really a question of what kind of incentive fits in best with human instincts. Is the best work going to be achieved by motives of fear, fear of dismissal, fear of unemployment, fear of starvation, or by a feeling of pride in taking part in a productive process which is an obvious social service (and at the present moment this can only be felt in a very modified way)? Of course, the really good and conscientious worker will do his best under any system, and the completely inefficient and idle man will in like manner shirk his work wherever he is. And it may be freely conceded that under a system of economic self-government the desire "not to do a pal out of a job" may make it extremely difficult to get the inefficients kept up to the mark (this being not the level of the best workers, but the best work of which they themselves are capable). But for the vast intermediate section, where the elementary instincts for good or evil are strongest and least controlled by rational processes, that system is best which fits in most easily with the free expression of these impulses, and this is a claim which can scarcely be made on behalf of the present economic system.

There is no doubt that the existing friction is no temporary phrase, but that it is the result of a revolt not merely against inequitable distribution of goods but against the unnecessary thwarting of instincts not in themselves harmful, in fact, in many cases actively beneficial to Society. But we can, as Mr. Cole says, call in a motive better in itself and psychologically more effective than any we usually employ—the motive of free service: *service* for the community and not for private profit; *free* service, with self-chosen and self-imposed discipline, but no external coercion. The abolition of private profit and the handing

over of production to the control of the producers themselves (with adequate security for the consumer) will obviously require much organisation, and, for many, a complete change of heart before they will co-operate loyally. Moreover, good though the extension of responsibility would be, the putting of the workers "on their honour" (to use Mr. Cole's phrase) leaves an obvious opening for slackness or deceit, and the getting round of this obstacle, though not, I think, impossible, requires much thought. It is a point on which the general public will take a good deal of satisfying. Again, at first production might fall off rather than increase. It is even possible that there might be a permanent loss of efficiency. But here we have to ask, as compared with what? There would be a loss of efficiency as compared with the older capitalist system, where things worked smoothly and the workers on the whole acquiesced; but no loss of efficiency compared with the present state of permanent friction. To-day, rightly or wrongly, the work simply is not getting done. Increased production is in many ways absolutely essential. There can never be too many commodities as long as their distribution is properly arranged; and if the worker of 1920 possesses the good qualities of the soldier of 1918 (and after all he is one and the same person), it will be on grounds of social service that the appeal for increased production will be addressed to him with greatest likelihood of success.

The schemes of the National Guildsman may or may not be the best for us here and now. But they do at least recognise what the problem is, that the old principle of economic self-interest is no longer sufficient to keep industry going, and that some new basis is required, more in accordance with the psychology of

industrial instincts. There is nothing Utopian in this. It is often said that such and such reforms would be good if only we could change human nature and produce a race of human archangels. This is a peculiarly exasperating form of argument. Of course we cannot change human nature nor breed archangels to order. But we can at least contrive that the good instincts in human nature are given a fair chance of expressing themselves, in all classes of society, and the bad instincts of being sublimated. Undiluted class-warfare will never bring the psychological satisfaction that the world is looking for, but we may get it by a more liberal use of the imagination, by a franker recognition of the moral claims of labour, and by a better understanding of the rules affecting social behaviour.

What is civilisation after all but the triumph of reason over instinct, or rather the directing of the instincts under the guidance of reason into the channels which are most socially useful? It is in the least civilised countries that elementary passions reveal themselves the most. Where primitive instincts run riot in a crude shape we get exceedingly unpleasant results; for instance, in Russia much savage pillaging of estates went on in 1902 and 1905 (to carry the story no later) by peasants who were under a strong emotional conviction that they were actively assisting law, order and justice. The savage reprisals of the Government shewed an equally primitive attitude of mind. This is why in Russia, as in all Eastern Europe and throughout Asia, "atrocities" are thought so much less of than with us. But because we in the West have not allowed our primitive, anti-social instincts to take this form, it does not necessarily follow that we have got rid of them. They are working themselves out in the way of

greed and selfishness; and yet they are capable, as are all instincts, of being sublimated into something no longer anti-social but definitely helpful to the community. We look back again at Wells and his criticism of the Marxist programme. "It has no psychology." Very well then, we must find one which has.

CHAPTER XV

CONCLUSION

"THE Socialism that inspires hopes and fears to-day," writes an American economist, "is of the school of Marx." But a school of thought does not represent its master very faithfully. Erastus, the great theologian, was certainly not an Erastian;[1] Macchiavelli was only partly Macchiavellian; and Byron frequently not Byronic. In the same way Marx himself was once driven to declare: "I am not a Marxist." But then, it may be asked, Who is? On whom has the genuine mantle of the prophet fallen? Is it Kautsky or Lenin, Georges Sorel or Sidney Webb? And further, will not the mantle itself, however genuine, have become by now somewhat tattered and age-worn, to say nothing of belonging to a byegone fashion? As M. Labriola has put it: "Thirty years of scientific progress are not a negligeable quantity for a science as rich in hopes as is Political Economy."[2] And yet, in the Labour movements of Europe, the influence of Marx is still enormous. Movements "away from Marx" arise periodically,

[1] The first Erastian, in the sense of one who maintains the supremacy of the State over the Church even in ecclesiastical matters, was probably the Dutchman, Grotius.

[2] *Revue Socialiste*, 1899. The "thirty years" are dated from the first appearance of *Capital*, and have become over fifty now.

interpretations of Marxism vary, the emphasis gets laid at different times on different parts of the doctrine, but the grip which Marx has obtained on the Socialist imagination is such that although a man may declare himself a "New-Marxian" and live, were he to call himself an anti-Marxian he would assuredly be rent asunder by an indignant mob of proletarians of all lands, uniting for this if for nothing else. But then why should any Socialist wish to be heretical as regards so "broad" a body of doctrine, admitting of many and so diverse interpretations, so indefinite as to its prophecies, and, in spite of its claim to be "scientific," so vague in much of its terminology?

But there are certain fundamentals concerning which a clear and unambiguous statement of doctrine is essential, and at the present day one important question naturally arises: in exactly what sense can Marx be claimed to be a Revolutionary? It is of more than merely academic interest to look again at his great contest with Bakunin. This was far more than a personal quarrel. An important matter of principle was at stake, and a defensive battle against Anarchism *in all its forms* was waged by Marx during the whole period from 1848 onwards, but especially during the stormy years of the First International. What was the attitude to be adopted towards violence in general and the violent destruction of the State in particular? Marx was throughout strongly in favour of *political* action. The preamble of the Statutes of the International, drawn up by him, laid it down that "the economic emancipation of the working-classes is the great end to which every political movement ought to be subordinated *as a means*." The Congress of Lausanne, still under Marxian influence, declared in 1867 that "the social emancipation of the workmen is inseparable from their political emancipation."

But at the Basle Conference in 1869, Bakunin, who had joined the International the preceding December, brought forward an entirely different policy, and one which commanded a substantial measure of support. He expressed horror of the State in any form. "The State," he held, "will always be an institution of domination and of exploitation . . . a permanent source of slavery and of misery." Marx was leading the International on to a dangerous path, where exploitation and misery would increase rather than diminish. "The State will be the sole capitalist, the banker, the money-lender, the organiser, the director of all the national work, and the distributor of its products." This foreshadowing of "the Servile State" was undoubtedly a strong argument against Marxism, but it was also undoubtedly an unfair one. Marx had no particular love for the State as such. True to his belief in evolution from the old to the new, he wished the proletariat to gain political power, and thus turn the bourgeois into the proletariat State. This, in its turn, would wither away after all classes had been abolished, and Lenin is thus formally correct in claiming Marx as an opponent of the State; but this stage was not clearly envisaged nor considered very important. What was immediately vital was to concentrate on obtaining political power for the proletariat.

Bakunin, on the other hand, opposed any form of the State, and put forward two possible methods of attack. The first was Terrorism pure and simple, with conspiracies, systematic assassinations and the like. "Our task is terrible, total, inexorable and universal destruction." [1] The other, which Marx considered the more insidious danger to the Labour movement, was economic action, and it was this policy, rather than Terrorism, which Bakunin

[1] *L'Alliance de la Democratie*, p. 95.

pressed on the International. One of his spokesmen, the Belgian Professor, Dr. Hins, advocated, at the Basle Congress, what is practically pure Syndicalism. "The present trades unions would some day overthrow the present state of political organisation altogether; they represented the social and political organisation of the future. The whole labouring population would range itself, according to occupation, into different groups, and this would lead to a new political organisation of Society. He wanted no intermeddling of the State; they had had enough of that in Belgium already. As to the Central Committees, every trade ought to have its Central Committee at the principal seat of manufacture. The central committee of the cotton trades ought to be at Manchester, that of the silk trades at Lyons, etc."

The Congress was a victory for Bakunin: it refused to discuss "direct legislation of the people," and wished to keep clear of political activity altogether. The Marxists were furious. "Between the collectivists of the International," wrote Hess,[1] "and the Russian communists (*i.e.* the followers of Bakunin) there was all the difference which exists between civilisation and barbarism, between liberty and despotism, between citizens condemning every form of violence and slaves addicted to the brutal use of force." Taken by itself this might seem to refer only to Terrorist physical violence, but the attitude adopted by the Marxists at the Congress shews clearly that they were out for political action only, and repudiated what we now know as the Syndicalist idea of violence as much as they did Terrorism.

Between Marx and Bakunin there was indeed all the difference imaginable. The latter saw clearly the kind of

[1] A prominent Marxist.

world he wanted, and believed he could achieve it by immediate violence. The former had, or at any rate displayed, less in the way of ideals for the future, but he stated the position as he saw it, and, in particular, expounded the conditions which, in his opinion, needed to exist before any new system could be achieved. First and foremost he considered that "the constitution of the working-class into a *political* party is indispensable in order to ensure the triumph of the social revolution and its ultimate end—the abolition of all classes." [1] It was, perhaps, partly to rescue the Labour movement from Anarchism that Marx secured the removal of the headquarters of the International to New York in 1872. It then became possible for each *European* country to develop its own Socialist party quite independently. National Socialism was felt to be better than International Anarchism.

Marx at this critical stage was opposed to every form of violence, just as he had been after 1848, when he persistently discouraged the plot and conspiracy movement in which the Mazzinians were indulging. Lenin, however, claims that the Parisian Commune of 1871 had turned him into an enemy of the State and an advocate of violent revolution. It is true that for a brief time he was led to anticipate much from the Commune, and yet only a few months before he had been laughing at Bakunin's grandiloquent abolition of the State by decree during the Lyons Revolution of September, 1870. "Then arrived the critical moment, the moment longed for since many years, when Bakunin was able to accomplish the most revolutionary act the world has ever seen: he decreed the abolition

[1] Part of a resolution carried at a Conference at London in 1871: this was not a Congress, but a consultative meeting of various prominent members of the International, mainly Marxians.

of the State. But the State in the form and aspect of two companies of national bourgeois guards, entered by a door which they had forgotten to guard, swept the hall, and caused Bakunin to hasten back along the road to Geneva." [1] Nor did the failure of the Commune come as a very great disappointment. "The working-class did not expect miracles from the Commune. They have no ready-made Utopias to introduce 'by decree of the people.'" They know that in order to work out their own emancipation, and along with it that higher form *to which present society is irresistibly tending, by its own economic agencies*, they will have to pass through long struggles, through a series of historic process, transforming circumstances and men." [2] Marx praised, as Lenin rightly points out, the lines on which, during its brief period of power, the Commune started re-casting society, but he never suggested violent action as the means whereby that end would normally be achieved. The capturing of political power by the proletariat remained his policy, and this was what he meant by revolution. As Liebknecht put it (after the repeal of the anti-Socialist Laws in Germany in 1890): "The essence of revolution lies not in the means but in the end. Violence has been for thousands of years a reactionary factor." Engels admitted the same when he said, with reference to earlier vagaries: "The irony of history turns everything upside down. We, the revolutionaries, thrive much better by legal means than by illegal ones." [3]

[1] *L'Alliance de la Democratie*, p. 21.

[2] Part of an address read to the General Council of the International, two days after the Commune was finally crushed. Quoted by Hunter, *Violence and the Labour Movement*, p. 37.

[3] Introduction to Marx's *Class War in France* (Berlin, 1895), p. 17.

But while defending political action against economic action or any form of Anarchism, Marx was well aware of the objections to working through Parliaments. He recognised the great things that could be done there, but he recognised also how powerful there are the interests making for reaction, and how insidious is "the parliamentary mania" even to proletarians, as long as the general political control is in capitalist hands, and the proletarians are only an insignificant minority in Parliament.[1] But the remedy for this is not less but more parliamentary activity, until the proletarians are no longer a minority.

But it is not only in Parliament that the danger of corruption is to be met with. "There is no way," said Fruneau at the 1869 Congress, "to escape the corrupting power of capitalism. It has its representatives in every movement that promises to be hostile to it. One does not escape corruption by abandoning Parliament." Nearly half a century later another Marxian, Guesde, summed up the position as regards revolutionary Marxism when he said, at the French Socialist Congress of 1906: "Political action is necessarily revolutionary. It does not address itself to the employer, but to the State.... *Industrial* action does not attack the employer as an *institution*, because the employer is the effect, the result, of capitalist property. It is in the Socialist party—because it is a political party—that one fights against the employer *class*.... Property is a social institution which cannot be transformed except by the exploited class making use of political power for this purpose.... Political action, moreover, is not the production of laws. It is the grasping by the working-class of the manufactory of laws: it is the political expropriation

[1] See, for instance, his violent attack on "parliamentary cretinism" in *Revolution and Counter Revolution*, pp. 109-110.

of the employer class, which alone permits its economic expropriation." [1]

Individual phrases may be found in Marx to justify an appeal to violence or to economic action, but these are contrary to the whole spirit of his teaching; political action is what he advocates for no other reason than that it is the most practicable.

But if Marx is prepared to return a definite answer to questions about revolutionary violence, he is less satisfactory when interrogated about the society of the future. He produces prophecies about growing capitalist concentration, increasing misery, the proletarian revolution and the final expropriation of the expropriators; but although this all claims to be deduced logically and of necessity from the inner nature of things, anything constructive or any detailed forecast of the future is entirely lacking. Marx would have answered the implied criticism by retorting that anything else would have been the merest Utopianism, projecting into the future one's own dreams and hopes, and finding there their fulfilment. He, on the other hand, was scientific, and prophesied as far as he could see, and no further. He could explain the broad general lines of development. Time alone could fill in the details. At the moment this was undoubtedly a source of strength to the Labour movement, whose members were suffering from a propensity to indulge themselves with quite unrealisable ideals, quarrelling with one another in the process. Then Marx came along as leader, and naturally found that a negative programme (as regards details of the future) was most effective in keeping the party together. But in science, or at any rate in applied science, destructive criticism, however thorough, is valueless unless accompanied

[1] Quoted by Hunter, *Violence and the Labour Movement*, p. 268.

by positive suggestions, and "scientific" Socialism has undoubtedly suffered from lack of these. Not having received them from the master, it had to invent them for itself, with the necessary growth, as we have seen, of cliques and wings and sections, each with their own views as to what the future was going to produce; for no amount of "scientific" analysis can drive from men's minds the desire to have some fairly definite, however hypothetical, picture of what is coming. And no guidance had been vouchsafed as to such elementary questions as to who was going to own the means of production in the new society? Did Socialisation imply ownership by the group, the guild, the municipality, the State or some universal World-Community? Moreover, what was to be the immediate claim of the working-man? Was it to be his right to own the whole produce of his labour, or his right to achieve a vastly-improved standard of living? And, perhaps most important of all, how would economic and political functions be co-ordinated in the new society? These are all important and obvious questions, and to none of them does "scientific" Marxism give an answer.

Marx is by many spoken of as an oracle. Those who do so are perhaps not always aware of the aptness of the parallel, for the oracles of the ancient world were proverbial for the unsatisfactory nature of the answers they gave. In the same way the oracular utterances of Marx are often more impressive than illuminating, and the more dogmatic they are the less information they give: just so did Apollo at Delphi rebuke the folly of the questioner without adding much to the store of his knowledge. It is for this reason (if for no other) a pity that Marx should so often be proclaimed as the economic Allah with Engels as his Prophet.

His economics are largely discredited; his conception of history has had to be materially broadened; his prophecies have only in part been fulfilled; and the circumstances of the twentieth century are so essentially different from those of his own time that to make of him a practical guide for the minutest questions of modern life is nothing less than ridiculous. And yet this is so often done and with such extravagance of laudation that Hyndman's caution is well worth repeating. He is speaking of Marx's obstinate and ill-judged resistance to Liebknecht and Bebel in their negotiations with the Lassalle wing of the German Social Democrats. "If I speak of these mistakes of a great mind in practical life, it is because I have noted here and there a disposition to set up Marx as an infallible authority as to what ought or ought not to be done under the conditions of our day. Obviously, if he could not judge correctly as to what was going on in Germany, and was certainly none too sound in his views about politics in England, when living, it is a great blunder to cite him as an authority in relation to events occurring when he is dead. None would have been more ready to condemn such foolishness than Marx himself." [1]

It is far better to judge Marx by what he did compared with what he tried to do, rather than by what he never even attempted. His constructive side is admittedly weak, but then he never claimed to do anything more than lay down in a very general way the lines on which, as he saw it, society must of necessity evolve. But it was a great achievement to have shewn once and for all that there was evolution in the social as well as in the physical world. This meant a new hope for countless millions. The Socialists found themselves no longer a struggling handful of middle-

[1] *Records of an Adventurous Life*, p. 286.

class enthusiasts (which was all they were in pre-Marxian days), but part of a huge and evergrowing multitude. On the other hand, Marx gave to Socialism not merely an accession of numerical strength, but also, what it needed far more, emancipation from Utopianism. He made clear to the world that there was a third alternative to the static immobile social order of the economists and the impossible reconstructions of the Idealists, in the shape of a world of change, evolving according to laws which were definite, natural and scientifically ascertainable. The best summary of Marx's achievement is that of Jaurès.[1] "In the first third of the nineteenth century Labour struggled and fought against the crushing power of Capital; but it was not conscious itself toward what end it was straining. It did not know that the true objective of its effort was the common ownership of property. And, on the other hand, Socialism did not know that the Labour movement was the living form in which its spirit was embodied, the concrete practical force of which it stood in need. Marx was the most clearly convinced and the most powerful among those who put an end to the Empiricism of the Labour movement and the Utopianism of the Socialist thought, and this should always be remembered to his credit."

The comparative weakness of Marx's constructive ideas does not detract from the great work he actually accomplished, but of course it makes him a less valuable guide to the problems of the present day. Similarly, although to attack him for the absence of any moral ideas would be to misunderstand him entirely (for he did not claim to be a moralist), there is no doubt that many to-day will be less

[1] *Studies in Socialism* (translated by Minturn, New York, 1906), p. 133.

inclined to be influenced by him than they otherwise might be, owing to the very minor place he concedes to ethical considerations. His own defence is clear enough: he is a scientist, and all scientists are *un*moral, even as Nature herself is. "Ideological" conceptions prevent the thinker from taking a detached and scientific view of the facts of life. "These gentlemen," he said of the Utopians, "hate thinking, heartless thinking, as they hate struggle and development." And again, "Justice, Humanity, Liberty, etc., may have called a thousand times for this or for that, but if it is impossible, it will never be realised and will remain but an empty dream."[1] In any case, he would remind us, ideas of morality vary greatly from age to age, according to material conditions, and such a thing as eternal Justice simply does not exist.

It would be foolish to deny that throughout his searching analysis of the actual workings of capitalism Marx shews ample evidence of generous, burning sympathy with the poor and their sufferings, and condemns implicitly the existing economic order. But none the less a more direct recognition of the moral claims of labour, a more outspoken appeal to the idea of social service, would have put his teaching in closer touch with the spirit of our age, which is, however shy we may be of admitting it, predominantly ethical.

The way in which Marx handled the first Statutes of the International shews his contemptuous attitude to the ideas of justice. In a letter to Engels, dated November 4, 1864, he describes how he had prepared an alternative draft to that already submitted by Wolf, on behalf of Mazzini. "My suggestions were all accepted by the Committee; they merely instructed me to introduce, in

[1] *Literarische Nachlass*, vol. iii. pp. 249, 476.

the preamble to the Statutes a couple of clauses about rights and duties, and about truth, justice and morality, *but I have put them in in such a way that they won't be able to do any harm.*" [1] The clauses themselves, which had thus discreetly to be tucked away, ran as follows: "The members declare that this international Association, as well as all the societies or individuals affiliated to it, will recognise Truth, Justice and Morality as the necessary basis of their conduct to all men, without distinction to colour, creed or race. They consider it a duty to claim the rights of humanity and of citizenship not for themselves alone but for every one who does his duty. No duties without rights; no rights without duties." This, it must be admitted, is more in the spirit of the recent Geneva Congress than of the Communist Manifesto, or any other of Marx's own pronouncements.

What repels us in such an episode is not so much the minor place given to Duty, Truth, Justice and Morality (for this we are prepared for). It is the disingenuousness shewn by Marx. He is prepared to admit principles which he considers harmful or at least irrelevant, but equally is determined not to let them, although evidently strongly favoured by the majority of the members, be of any practical bearing or determine in any way the policy of the Association. This same disingenuousness comes out sometimes in Marx's method of argument. We can not be quite certain that he is dealing honestly with us, that he is really putting all the alternatives before us, that he is not slipping nimbly from one standing point to another and hoping that we shall not notice the move he has made. It may be argued against this that even if it is true we ought not to be such fools as to be taken in by it; but that line of

[1] *Briefwechsel*, vol. iii. No. 750.

defence does nothing to establish his honesty. Even in such things as statistics (where verification is easy) he lays himself open to the criticism of selecting such evidence only as will confirm his preconceived notions. The accounts of the London Orphan Asylum for a limited number of years do not seem sufficient evidence on which to base a great argument about rising prices, even when backed by a few generalisations from Gladstone and Fawcett.[1] Nor is a *general* increase of unemployment proved by selecting fourteen trades, many of them of an old-fashioned character, and shewing that in these particular trades fewer men are employed than formerly.[2] It is not suggested that Marx relied exclusively on such flimsy arguments as these. His main position is undoubtedly based on extensive and unwearied research; but it is, I think, fair to say that he was so firmly convinced of the strength of his case that he was inclined to be too easily satisfied with the kind of evidence he brought forward to support it. It was just the same in his dealings with, and judgment of, other men. From some, in whom he believed, he would accept the most astonishing and incredible propositions, and consider it unnecessary to make any enquiries for himself about their accuracy. Thus anything that David Urquhart told him to the discredit either of Lord Palmerston, or of the Czar or any Russian statesman, became for him at once an established fact, impossible of denial and requiring no further investigation.[3] But any one who opposed or contradicted him was certainly a fool, probably a lunatic, and quite possibly a spy in the pay of a foreign

[1] *Capital*, vol. i. pp. 668-9. As a matter of fact at this time *real* wages were increasing about 5 per cent. every ten years. *Vide* Bowley, *Statistical Studies*, p. 33.

[2] *Capital*, vol. ii. pp. 390-401.

[3] *Vide* above, p. 46.

Government. An amusing instance of the spy mania (to which Engels was also addicted) is given by Hyndman:[1] "On one important occasion they felt quite certain that as honest, not to say as stupid an Englishman as ever lived, having broken away from the 'International,' of which he had been secretary, had at the same time kept the minute book of the proceedings for nefarious use against that organisation. There was a terrible disturbance, Marx and Engels being specially incensed. A determined friend was told to go and threaten the culprit. He met the ex-secretary on his way bringing back the minute book under his arm. He had never had the slightest intention of keeping it."

Many of the less pleasant traits in the character of Marx are those which seem almost unavoidable by the lifelong revolutionary, the bitterness, the suspicion, the sectarian dogmatism of one who sacrifices himself body and soul for the sake of a cause which is unpopular and persecuted.[2] They are all features of Bakunin also, but Mazzini reveals a tenderer, less aggressive character. "Listen to me in love," he wrote (and coming from him it was no cant phrase), "as I shall speak to you in love. . . . If it seem to you that I speak error, leave me; but follow me and act according to my teachings, if you believe me an apostle of the Truth."[3] These three men—Marx, Bakunin and Mazzini—are a remarkable trio. Every one of them was as much opposed to each of the others as he was to the governments of Europe. Each represents a definite

[1] *Records of an Adventurous Life*, p. 286.

[2] The way these characteristics arise, and the extent to which a deep-rooted love for humanity will get obscured by hate and anger, is well explained by Bertrand Russell in *Roads to Freedom*, pp. 13-19.

[3] *Duties of Man*, chap. i.

revolutionary type, and as long as men with such gifts of character and intellect, whatever their shortcomings, can find no place in civilised society, civilisation must be confessed, in part at least, to be a failure. It is hard, it is true, to envisage a society of which Bakunin would have been a contented and well-disposed member, but even *he* had qualities of courage and resolution and sympathy with the down-trodden of which the world stands always in need. Of the other two, Mazzini's economics were far less solid and systematic than those of Marx, but he held out a nobler standard of life to struggling humanity, not merely an altered economic system. When his draft rules[1] for the First International were rejected in favour of those of Marx, the Labour movement may have gained in clearness and virility, but it undoubtedly lost in moral force. "Wheresoever a man is tortured through error, injustice or tyranny, that man is your brother. Say not the language we speak is different. Acts, tears and martyrdom are a language common to all men, and which all understand. Be you Apostles of this Faith, Apostles of the Fraternity of Nations, and of that Unity of the human race which, though it be admitted in principle, is denied in practice at the present day."[2]

This is neither the language nor the spirit of Marx, but it is a spirit without which no permanent progress is possible for the world.

[1] The rules submitted by Wolf were apparently not actually written by Mazzini, although they represented exactly his point of view.

[2] *Duties of Man*, chap. iv.

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A.

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1897. *The Eastern Question.* Letters written during the years 1853-1856.

1899. *The Secret Diplomatic History of the Eighteenth Century.* Ed. Aveling.

1899. *The Story of the Life of Lord Palmerston.* Ed. Aveling.

These two books are attacks on Lord Palmerston (the former mainly by inference), and attempt to show that it is quite wrong to think of him as a persistent enemy of Russia.

1908. *Wage Labour and Capital.* Introd. Engels. (Socialist Labour Party.) Articles which appeared during 1849 in the *Neue Rheinische Zeitung*, these articles being themselves based on lectures given at Brussels in 1849.

1908. *Value, Price and Profit.* (Socialist Labour Party.) An essay begun hastily in 1865 to answer some points raised by Weston; it is practically an epitome of Vol. I. of *Capital.* The General Council of the "International" ordered its publication, but nothing further was ever done, and the manuscript was found among Marx's papers after his death.

B.

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