

universe of mankind as an arena in which the natural forces of society would inevitably bring about a better life for everyone. On the contrary, those natural forces that once seemed teleologically designed to bring harmony and peace into the world now seemed malevolent and menacing. If humanity did not groan under a flood of hungry mouths, it seemed that it might suffer under a flood of commodities without takers. And in either event, the outcome of a long struggle for progress would be a gloomy state where the worker just barely subsisted, where the capitalist was cheated of his efforts, and where the landlord gloated.

Indeed, here is another common element to be recognized in the visions of Smith as well as Malthus and Ricardo, besides the structure of what we would call a capitalist economy. This was the vision of the working class as essentially passive. There is no hint in any of the three that the laboring poor might ever take it into their heads to introduce changes in the system—indeed, to build a new system of their own. But that leads us into the next chapter, where we will watch a new vision guide the course of the worldly philosophy.

V.

The Dreams of the Utopian Socialists

It is not difficult to understand why Malthus and Ricardo should have conceived of the world in gloomy terms. England in the 1820s was a gloomy place to live; it had emerged triumphant from a long struggle on the Continent, but now it seemed locked in an even worse struggle at home. For it was obvious to anyone who cared to look that the burgeoning factory system was piling up a social bill of dreadful proportions and that the day of reckoning on that bill could not be deferred forever.

Indeed, a recital of the conditions that prevailed in those early days of factory labor is so horrendous that it makes a modern reader's hair stand on end. In 1828, *The Lion*, a radical magazine of the times, published the incredible history of Robert Blincoe, one of eighty pauper-children sent off to a factory at Lowdham. The boys and girls—they were all about ten years old—were whipped day and night, not only for the slightest fault, but to stimulate their flagging industry. And compared with a factory at Litton where Blincoe was subsequently transferred, conditions at Lowdham were rather humane. At Litton the children scrambled with the pigs for the slops in a trough; they were kicked and punched and sexually abused; and their employer, one Ellice Needham, had the chilling habit of pinching the children's ears until his nails met through the flesh. The foreman of the plant was even

worse. He hung Blincoe up by his wrists over a machine so that his knees were bent and then he piled heavy weights on his shoulders. The child and his co-workers were almost naked in the cold of winter and (seemingly as a purely gratuitous sadistic flourish) their teeth were filed down!

Without a doubt such frightful brutality was the exception rather than the rule; indeed we suspect a little of the reformer's zeal has embellished the account. But with full discount for exaggeration, the story was nonetheless all too illustrative of a social climate in which practices of the most callous inhumanity were accepted as the natural order of events and, even more important, as nobody's business. A sixteen-hour working day was not uncommon, with the working force tramping to the mills at six in the morning and trudging home at ten at night. And as a crowning indignity, many factory operators did not permit their work-people to carry their own watches, and the single monitory factory clock showed a strange tendency to accelerate during the scant few minutes allowed for meals. The richest and most farsighted of the industrialists might have deplored such excesses, but their factory managers or hard-pressed competitors seem to have regarded them with an indifferent eye.

And the horrors of working conditions were not the only cause for unrest. Machinery was now the rage, and machinery meant the displacement of laboring hands by uncomplaining steel. As early as 1779 a mob of eight thousand workers had attacked a mill and burned it to the ground in unreasoning defiance of its cold implacable mechanical efficiency, and by 1811 such protests against technology were sweeping England. Wrecked mills dotted the countryside, and in their wake the word went about that "Ned Ludd had passed." The rumor was that a King Ludd or a General Ludd was directing the activities of the mob. It was not true, of course. The Luddites, as they were called, were fired by a purely spontaneous hatred of the factories that they saw as prisons and the waged work that they still despised.

But the disturbances raised a real apprehension in the country. Ricardo almost alone among the respectable people admitted that perhaps machinery did not always operate to

the immediate benefit of the workman, and for this opinion he was regarded as having slipped, for once, from his usual acumen. To most observers, the sentiment was less reflective: the lower orders were getting out of hand and should be severely dealt with. And to the gentler classes, the situation seemed to indicate the coming of a violent and terrifying Armageddon. Southey, the poet, wrote, "At this moment nothing but the Army preserves us from that most dreadful of all calamities, an insurrection of the poor against the rich, and how long the Army may be depended upon is a question which I scarcely dare ask myself"; and Walter Scott lamented, "... the country is mined beneath our feet."

But all through this dark and troubled period, one spot in Britain shone like a beacon through the storm. In the dour mountains of Scotland, a good day's post from Glasgow, in country so primitive that the tollgate keepers at first refused gold coins (never having seen them before), stood the gaunt seven-story brick mills of a little community called New Lanark. Over the hilly roads from Glasgow rode a constant stream of visitors—twenty thousand signed the guestbook at New Lanark between 1815 and 1825—and the visiting crowds included such dignitaries as the Grand Duke Nicholas, later to be Tsar Nicholas I of Russia, Princes John and Maximilian of Austria, and a whole covey of parish deputations, writers, reformers, sentimental ladies, and skeptical businessmen.

What they came to see was the living proof that the squalor and depravity of industrial life were not the only and inevitable social arrangement. Here at New Lanark were neat rows of workers' homes with *two* rooms in every house; here were streets with the garbage neatly piled up awaiting disposal instead of being strewn in filthy disarray. And in the factories a still more unusual sight greeted the visitors' eyes. Over each employee hung a little cube of wood with a different color painted on each side: black, blue, yellow, and white. From lightest to darkest, the colors stood for different grades of deportment: white was excellent; yellow, good; blue, indifferent; black, bad. At a glance the factory manager could

judge the deportment of his work force. It was mainly yellow and white.

For another surprise there were no children in the factories—at least none under the age of ten or eleven—and those that did work toiled only a short ten-and-three-quarter-hour day. Furthermore, they were never punished; no one in fact was punished, and save for a few adult incorrigibles who had to be expelled for chronic drunkenness or some such vice, discipline seemed to be wielded by benignity rather than fear. The door of the factory manager stood open, and anyone could (and did) present his objections to any rule or regulation. Everyone could inspect the book that contained the detailed report of his deportment and thus served as referent for the assignment of his colored cube, and he could appeal if he felt that he had been unjustly rated.

Most remarkable of all were the little children. Instead of running wild and fierce through the streets, they were found by the visitors to be fast at work and play in a large schoolhouse. The littlest were learning the names of the rocks and trees they found about them; the slightly older were learning grammar from a frieze where General Noun contested with Colonel Adjective and Corporal Adverb. Nor was it all work, delightful as the work seemed to be. Regularly the children gathered to sing and dance under the tutelage of young ladies who had been instructed that no child's question was ever to go unanswered, that no child was ever bad without reason, that punishment was never to be inflicted, and that children would learn faster from the power of example than from admonition.

It must have been a wonderful and, indeed, an inspiring sight. And for the business-minded gentlemen who were less likely to be carried away by the sight of happy children than the tenderhearted ladies, there was the irrefutable fact that New Lanark was profitable, marvelously profitable. This was an establishment run not only by a saint but by an eminently practical one, at that.

It was not only a practical saint who was responsible for New Lanark but a most improbable one. Like so many of the

early nineteenth-century reformers on whom we look back as the Utopian Socialists, Robert Owen, the "benevolent Mr. Owen of New Lanark," was a strange mixture of practicality and naïveté, achievement and fiasco, common sense and lunacy. Here was a man who advocated the abandonment of the plow in favor of the spade; a man who from scratch became a great capitalist and from a great capitalist a violent opponent of private property; a man who advocated benevolence because it would pay dividends, and who then urged the abolition of money.

It is hard to believe that one man's life could take so many twists. It began as a chapter straight from Horatio Alger. Born of poor parents in Wales in 1771, Robert Owen left school at the age of nine to become apprenticed to a linen draper with the unlikely name of McGuffog. He might have stayed a linen draper always and watched the store name change to McGuffog and Owen, but in true business-hero style, he chose to go to Manchester; and there, at the age of eighteen and on the strength of £100 borrowed from his brother, he set himself up as a tiny capitalist manufacturing textile machinery. But the best was yet to come. A Mr. Drinkwater, the owner of a large spinning establishment, found himself one morning without a factory manager and advertised in the local paper for applicants. Owen had no knowledge of spinning mills, but he got the post in a fashion that might have provided a test for countless writers on the virtues of Pluck and Luck. "I put on my hat," wrote Owen over a half-century later, "and proceeded straight to Mr. Drinkwater's counting house. 'How old are you?' 'Twenty this May,' was my reply. 'How often do you get drunk in the week?' . . . 'I was never,' I said, 'drunk in my life,' blushing scarlet at this unexpected question. 'What salary do you ask?' 'Three hundred a year,' was my reply. 'What?' Mr. Drinkwater said, with some surprise, repeating the words, 'Three hundred a year! I have had this morning I know not how many seeking the situation and I do not think all their askings together would amount to what you require.' 'I cannot be governed by what others seek,' said I, 'and I cannot take less.'"

It was a characteristic Owen gesture and it succeeded. At twenty he became the boy wonder of the textile world—an engaging young man with a rather straight nose in a very long face, and with large, frank eyes that advertised his candor. Within six months Mr. Drinkwater offered him a quarter interest in the business. But this was still only the prelude to a fabulous career. Within a few years Owen had heard of a set of mills for sale in the squalid village of New Lanark—coincidentally they were owned by a man with whose daughter he had fallen in love. To acquire either the mills or the hand of the daughter looked like an impossible feat: Mr. Dale, the mill-owner, was a fervid Presbyterian who would never approve of Owen's radical free-thinking ideas, and then there was the question of how to find the capital to buy the mills. Nothing daunted, Owen marched up to Mr. Dale as he had once marched up to Mr. Drinkwater and the impossible became done. He borrowed the money, bought the mills, and won the hand of the daughter in the bargain.

Matters might well have rested there. Within a year Owen had made New Lanark a changed community; within five years it was unrecognizable; in ten years more it was world famous. It would have been accomplishment enough for most men, for in addition to winning a European reputation for farsightedness and benevolence, Robert Owen had made a fortune of at least £60,000 for himself.

But matters did not rest there. Despite his meteoric rise, Owen conceived of himself as a man of ideas rather than as a mere man of action; New Lanark had never been for him an idle exercise of philanthropy. Rather, it was an opportunity to test out theories that he had evolved for the advancement of humanity as a whole. For Owen was convinced that mankind was no better than its environment and that if that environment was changed, a real paradise on earth might be achieved. In New Lanark he could, as it were, test his ideas in a laboratory, and since they succeeded beyond all measure, there seemed no reason why they should not be given to the world.

He soon had his chance. The Napoleonic Wars subsided and in their wake came trouble. A succession of what

Malthus would have called "general gluts" wracked the country; from 1816 to 1820 with the exception of a single year, business was very bad. The misery threatened to explode: "bread and blood" riots broke out, and a kind of hysteria gripped the country. The Dukes of York and Kent and a body of notables formed a committee to look into the causes of the distress, and purely as a matter of course they called upon Mr. Owen, the philanthropist, to present his views.

The committee was hardly prepared for what it got. It had no doubt expected a plea for factory reform, for Mr. Owen was widely known for his championship of a shorter working day and the abolition of child labor. Instead the notables found themselves reading a blueprint for social reorganization on a sweeping scale.

What Owen suggested was that the solution to the problem of poverty lay in making the poor productive. To this end he advocated the formation of Villages of Cooperation in which eight hundred to twelve hundred souls would work together on farm and in factory to form a self-sustaining unit. The families were to live in houses grouped in parallelograms—the word immediately caught the public eye—with each family in a private apartment but sharing common sitting rooms and reading rooms and kitchens. Children over the age of three were to be boarded separately so that they could be exposed to the kind of education that would best mold their characters for later life. Around the school were gardens to be tended by the slightly older children, and around them in turn would stretch out the fields where crops would be grown—needless to say with the aid of spades and without the use of plows. In the distance, away from the living areas, would be a factory unit; in effect this would be a planned garden city, a kibbutz, a commune.

The committee of notables was considerably taken aback. It was hardly prepared to urge the adoption of planned social communities in a day of untrammelled *laissez-faire*. Mr. Owen was thanked and Mr. Owen's ideas were carefully ignored. But Owen was nothing if not single-purposed. He insisted upon a review of the applicability of his plans and flooded Parliament with tracts expounding his

views. Again his determination won the day. In 1819 a special committee (including David Ricardo) was put together for the purpose of trying to raise the necessary £96,000 to establish one full-fledged experimental Village of Cooperation.

Ricardo was skeptical, although willing to give the plan a trial, but the country was not skeptical at all; it found the idea an abomination. One editorialist wrote: "Robert Owen, Esq., a benevolent cotton-spinner . . . conceives that all human beings are so many plants which have been out of the earth for a few thousand years, and require to be reset. He accordingly determines to dibble them in squares after a new fashion."

William Cobbett, then in exile in America for his own radical ideas, was even more scornful. "This gentleman," he wrote, "is for establishing *communities* of paupers! . . . Wonderful peace, happiness, and national benefit are to be the result. How the little matters of black eyes, bloody noses, and pulling of caps are to be *settled*, I do not exactly see. Mr. Owen's scheme has, at any rate, the recommendation of perfect novelty, for of such a thing as a *community of paupers*, I believe no human being has ever before heard. . . . Adieu, Mr. Owen of Lanark."

Owen did not, of course, envision a community of paupers. He believed, on the contrary, that paupers could become the producers of wealth if they were given a chance to work, and that their deplorable social habits could be easily transformed into virtuous ones under the influence of a decent environment. And it was not only paupers who were to be thus elevated. The Villages of Cooperation were to be so manifestly superior to the turmoil of industrial life that other communities would naturally follow suit.

But it was obvious that Owen held his views alone. Serious-minded people saw in Owen's scheme a disturbing threat to the established order of things, and radical-minded people saw in it only a farce. The necessary money for the trial Village was never raised, but now there was no stopping the indomitable philanthropist. He had been a humanist; now he became a professional humanitarian. He had made a fortune; now he dedicated it to the realization of his ideas. He sold his

interest in New Lanark and in 1824 set about building his own community of the future. Not unnaturally he chose America for his milieu, for where better to build utopia than in the midst of a people who had known political liberty for fifty years?

For a site he bought from a religious sect of Germans known as Rappites a tract of thirty thousand acres on the banks of the Wabash in Posey County, Indiana. On the Fourth of July, 1826, he dedicated it with a Declaration of Mental Independence—independence from Private Property, Irrational Religion, and Marriage—and then left it to shift for itself with its lovely wishful name of New Harmony.

It could not and did not succeed. Owen had envisioned a utopia sprung full-blown into the world, and he was not prepared to wean one from the imperfect environment of the old society. There was no planning: eight hundred settlers poured in, helter-skelter, within a few weeks. There was not even elementary precaution against fraud. Owen was bilked by an associate who piled insult upon injury by setting up a whiskey distillery on land that he had unfairly taken. And since Owen was not there, rival communities sprang up: Macluria under one William McClure, and others under other dissidents. The pull of acquisitive habit was too strong for the bond of ideas; in retrospect it is only astonishing that the community managed to exist for as long as it did.

By 1828 it was apparent that the enterprise was a failure. Owen sold the land (he had lost four-fifths of his entire fortune in the venture) and went off to talk about his schemes to President Jackson and then to Santa Anna in Mexico. Neither of these gentlemen expressed more than polite interest.

Owen now returned to England. He was still the benevolent (if slightly cracked) Mr. Owen, and his career was about to take its final unexpected twist. For while most opinion had mocked at his Villages of Cooperation, his teachings had sunk deep into one section of the country: the working classes. This was the time of the first trade unions, and the leaders of the spinners and the potters and the builders had come to regard Owen as a man who could speak for their interests—

indeed, as their leader. Unlike his peers, they took his teachings seriously—while the Villages of Cooperation were being debated by committees of notables, real working cooperative societies based on his tracts were springing up throughout the country on a more modest scale: producers' cooperatives and consumers' cooperatives and even a few ill-fated attempts to follow Mr. Owen's ideas to the letter and do away with money.

Without exception, the producers' cooperatives failed and the moneyless exchanges ended in moneyless but equally final bankruptcies. But one aspect of the cooperative movement took root. Twenty-eight devoted men who called themselves the Rochdale Pioneers began the *consumer* cooperative movement. To Owen it was only of passing interest, but with time it grew to be one of the great sources of strength of the Labour party in Great Britain. Curiously, the movement in which he took least interest was to survive all the projects into which he poured his heart and strength.

Owen had no time for cooperatives, for a good reason; on his return from America he had conceived a huge moral crusade, and he plunged into it with a typical vigorous abandon. The onetime poor boy, onetime capitalist, one-time social architect, now drew around him the leaders of the working-class movement. He bestowed a properly impressive name on his project: the Grand National Moral Union of the Productive and Useful Classes. The name was soon shortened to the Grand National Consolidated Trades Union, and since that was still quite a mouthful, to the Grand National. Under its banner the trade-union leaders rallied, and in 1833 the English working-class movement was officially launched.

It was a nationwide union—the precursor of the industrial trade unions of our day. Its membership was five hundred thousand—a mammoth figure for that time—and it embraced virtually every important union in all of England. But, unlike a modern union, its goals were not limited to hours and wages or even to management prerogatives. The Grand National was to be an instrument not only of social betterment but of deep social change. Hence, while its program asked for better wages and working conditions, it went

on to expound a fuzzy amalgam of Villages of Cooperation, the abolition of money, and a number of other ideas from the potpourri of Owen's writing.

Owen stumped the country for his final cause. It was a fiasco. England was no more prepared for a national trade union than America for a local paradise. Local unions could not control their members, and local strikes weakened the national body. Owen and his lieutenants fell out; they accused him of atheism, and he charged them with fomenting class hatred. The government stepped in and with violence and vengeance did its best to disrupt the growing movement. The employing classes heard in the Grand National the knell of private property and called for prosecution under anti-union laws. No youthful movement could have withstood such an onslaught. Within two years the great union was dead, and Owen at the age of sixty-four had played his last historical role.

He continued for another twenty years, the grand old man of labor, urging his cooperative ideas, his preference for the spade, his naive distrust of money. In 1839 he had an audience with Queen Victoria despite the protests of a group of the best people known as the Society for Peaceably Repressing Infidelity. But he was finished. In his last years he found a refuge in spiritualism, in endless tracts endlessly the same, and in his wonderful *Autobiography*. In 1858, eighty-seven years old and still hopeful, he died.

What a romantic and fantastic story! And looking back, it is his story rather than his ideas which interests us. Owen was never a truly original and certainly never a flexible thinker. "Robert Owen is not a man to think differently of a book for having read it," was the devastating way in which one contemporary writer characterized him, and Macaulay, who fled at the sound of his voice, called him "always a gentle bore."

He was not, by any stretch of the imagination, an economist. But he was more than that; he was an economic innovator who reshaped the raw data with which economists have to deal. Like all the Utopian Socialists, Owen wanted the world changed; but while others wrote, powerfully or otherwise, he went ahead and tried to change it.

And on second thought, perhaps he did leave one great idea behind him. It is charmingly illustrated in this anecdote from the autobiography of his son, Robert Dale Owen.

"When the child screams from temper, my dear Caroline," said his father (Robert Owen), "set him in the middle of the nursery floor and be sure you don't take him up until he stops crying." "But my dear, he'll go on crying by the hour." "Then let him cry." "It may hurt his little lungs, and perhaps throw him into spasms." "I think not. At all events, it will hurt him more if he grows into an ungovernable boy. Man is the creature of circumstances."

"Man is the creature of circumstances." And who makes the circumstances but man himself? The world is not inevitably good or bad but to the extent that we make it so. In that thought Owen left behind him a philosophy of hope more powerful than all his fanciful notions about spades and plows or money or Villages of Cooperation.

Robert Owen is certainly the most romantic of that group of nineteenth-century protesters against raw capitalism, but he is by no means the most peculiar. For sheer perversity of character, honors must go to Count Henri de Rouvroy de Saint-Simon, and for indisputable eccentricity of ideas there is no peer of Charles Fourier.

Saint-Simon, as his rolling name suggests, was an aristocrat; his family claimed descent from Charlemagne. Born in 1760, he was brought up to be conscious of the nobility of his ancestry and of the importance of maintaining the luster of his name; every morning, as a youth, he was awakened by his valet, who would cry: "Arise, Monsieur le Comte, you have great things to do today."

The knowledge that one is a chosen vessel of history can do strange things to a man. In Saint-Simon's case, it provided the excuse for an extravagant self-indulgence. Even as a boy he confused a devotion to principle with sheer pigheadedness; it is said that when a passing wagon interfered with a childhood game, he threw himself down across the road and obstinately refused to budge—and who was to throw a young count into the ditch? Later this same obstinacy led him to

refuse to go to communion at his father's behest—but the father, perhaps more used to his son's intransigence and certainly less awed by it, promptly threw him into jail.

His self-indulgence might have turned him toward that most self-indulgent of all political groups, the court of Louis XVI. But it was redeemed by a love for a most uncourtly idea: democracy. In 1778 the young count went to America and distinguished himself in the Revolutionary War. He fought in five campaigns, won the Order of Cincinnati, and most important of all, became a passionate disciple of the new ideas of freedom and equality.

But this did not yet constitute Great Things. The Revolutionary War left him in Louisiana; thence he went to Mexico to urge the Viceroy to build a canal that would have preceded the Panama. That might have made his name, but the idea came to naught—it was, of course, nine tenths idea and one tenth plan—and the young revolutionary noble returned to France.

He was just in time for the Revolution there, and he threw himself into it with fervor. His townspeople of Falvy in Peronne asked him to be mayor and he refused, saying that the election of the old nobility would be a bad precedent; then when they chose him for the National Assembly anyway, he proposed the abolition of titles and renounced his own to become plain Citoyen Bonhomme. His democratic predilections were not a pose; Saint-Simon had a genuine feeling for his fellow man. Before the Revolution he had been posting to Versailles one day, in the height of style, when he came across a farmer's cart mired in the road. Saint-Simon got down from his carriage, put his elegantly clad shoulder to the wheel, and then found the farmer's conversation so interesting that he dismissed his own vehicle and rode to Orléans with his newfound peasant friend.

The Revolution dealt strangely with him. On the one hand he speculated adroitly in Church lands and made himself a modest fortune; on the other he busied himself with a gigantic educational scheme that, because it threw him into contact with foreigners, brought him into disfavor and resulted in his being put in protective custody. He escaped and

then, in a gesture both romantic and truly noble, surrendered himself again when he found that his hotel proprietor had been unjustly accused of collaborating in his escape.

This time he went to jail. But there, in his cell, there came to him the revelation for which he had, in a sense, been waiting all his life. The revelation came, as such visitations do, in a dream; Saint-Simon described it thus:

"During the cruelest period of the Revolution, and during a night of my imprisonment at Luxembourg, Charlemagne appeared to me and said: 'Since the world began no family has enjoyed the honor to produce both a hero and philosopher of first rank. This honor was reserved for my house. My son, your successes as a philosopher will equal mine as a soldier and a statesman.'"

Saint-Simon asked for no more. He obtained a release from prison, and the money he had accumulated now poured forth in a fantastic search for knowledge. This man actually set out to know everything there was to know—scientists, economists, philosophers, politicians, all the savants of France were invited to his house, financed in their work, and endlessly queried that Saint-Simon might encompass the world's intellectual scope. It was a bizarre endeavor. At one time, having come to the conclusion that he still lacked a firsthand acquaintance with family life for the pursuance of his social studies, he married—on a three-year contract. One year was enough: his wife talked too much and his guests ate too much, and Saint-Simon decided that marriage as an educational institution had its limitations. Instead he sought the hand of the most brilliant woman in Europe, Mme. de Staël; she was the only woman, he declared, who would understand his plans. They met, but it was an anticlimax; she found him full of *esprit* but hardly the greatest philosopher in the world. In the circumstances, his enthusiasm also waned.

But the search for encyclopedic knowledge, while stimulating, was financially disastrous. His expenditures had been lavish to the point of recklessness; his marriage unexpectedly expensive. He found himself reduced first to modest circumstances and then to real poverty; he was forced to find a clerical job and then to depend on the kindness of an old servant

for board and lodging. Meanwhile he was writing, furiously writing an endless stream of tracts, observations, exhortations, and examinations of society. He sent his works to the leading patrons of the day with a pathetic note:

MONSIEUR:

Be my saviour, I am dying of hunger. . . . For 15 days I have lived on bread and water . . . sold everything but my clothes, to pay for the expense of copies of my work. It is the passion for knowledge and the public welfare, the desire to find a peaceful means of ending the frightful crisis which engages all European society which has brought me to this state of distress. . . .

No one subscribed. In 1823, although his family now accorded him a small pension, he shot himself in despair. But he could never quite do anything as he wished. He succeeded only in losing an eye. He lived two more years, ill, impoverished, dedicated, and proud. When the end came, he gathered his few disciples around him and said, "Remember that in order to do great things one must be impassioned!"

But what had he done to justify such an operatic end?

A strange thing: he had founded an industrial religion. He had not done it through his books, which were voluminous enough but unread, nor through lectures, nor through doing "great things." Somehow the man himself had inspired a sect, had gathered a small band of followers, and had given society a new image of what it might be.

It was a strange, semimystical, and disorganized religion, and little wonder, for it was built on an unfinished and lopsided edifice of ideas. It was not even meant to be a religion as such—although after his death there was actually a Saint-Simonian Church with six departmental churches in France and with branches in Germany and England. Perhaps it is better compared with an order of brotherhood; his disciples dressed in shades of blue and ranked each other as "fathers and sons." And as a nice symbol of what the founder himself

had stood for, they wore a special waistcoat that could be neither put on nor taken off unassisted and that thus emphasized the dependence of every man on his brothers. But the church soon degenerated into little more than a cult, for the latter-day Saint-Simonians devised their own code of morality, which in some instances was little more than a respectably codified immorality.

The gospel that Saint-Simon had preached is hardly shocking to modern eyes. It proclaimed that "man must work" if he is to share in society's fruits. But compared with the conclusions drawn from this premise, Robert Owen's society of parallelograms was clarity itself.

"We suppose," writes Saint-Simon, "that France suddenly loses her fifty leading physicists; her fifty leading chemists, her fifty leading physiologists . . . mathematicians . . . mechanics" and so on until three thousand savants, artists, and artisans have been accounted for (Saint-Simon is not noted for the economy of his style). What would be the result? It would be a catastrophe that would rob France of her very soul.

But now suppose, says Saint-Simon, that instead of losing these few individuals, France were to be deprived at one blow of its social upper crust: suppose it should lose M. the brother to the king, the Duke de Berry, some duchesses, the officers of the Crown, the ministers of state, its judges, and the ten thousand richest proprietors of the land—thirty thousand people in all. The result? Most regrettable, says Saint-Simon, because these are all good people, but the loss would be purely a sentimental one; the state would hardly suffer. Any number of people could discharge the functions of these lovely ornaments.

So the moral is clear. It is the workers—*les industriels*—of all ranks and hierarchies who merit the highest rewards of society, and the idlers who deserve the least. But what do we find? By a strange miscarriage of justice, it is just the opposite: those who do the least get the most.

Saint-Simon proposes that the pyramid be set aright. Society is actually organized as a gigantic factory, and it should carry out the factory principle to its logical conclusion. Gov-

ernment should be economic, not political; it should arrange things and not direct men. Rewards should be apportioned to one's social contribution; they should accrue to the active members of the factory and not to the lazy onlookers. It is not a revolution that Saint-Simon preaches, nor even socialism as we understand the word. It is a kind of paean of the industrial process and a protest that in a society of toil, idlers should take such a disproportionate share of the wealth.

Not a word about how this is to be done; the later Saint-Simonians went a step beyond their founder and urged the end of private property, but even this left them with little more than a vague program of social reformation. This was a religion of work, but it lacked a proper catechism; it pointed to grave injustices in the distribution of society's wealth, but it gave disappointingly little guidance to those who wanted to set things to rights.

Perhaps it was just this lack of a program which helped to account for the success of a man who was quite the opposite of Saint-Simon. Whereas the ax-nobleman had been inspired by a passion for the grand idea, Charles Fourier was inspired by a passion for trivia. Like Saint-Simon, Fourier believed the world was hopelessly disorganized, but the cure he proposed was explicit down to the tiniest detail.

Saint-Simon had been an adventurer in life; Fourier was an adventurer in imagination. His biography is largely a blank: born in 1772, the son of a tradesman of Besançon, he spent his days as an unsuccessful commercial traveler. In a sense he did nothing, not even marry. His passions were two: flowers and cats. It is only at the end of his life that he is appealing, for he spent his last years punctually sitting at advertised hours in his small room awaiting the visit of some great capitalist who would offer to finance his schemes to do over the world. After all, this little salesman had written, "I alone have confounded twenty centuries of political imbecility; and it is to me alone that present and future generations will look for the origin of their immense happiness." With such a responsibility resting on his shoulders, he could hardly afford not to be at hand when the appointed savior capitalist would arrive with his moneybags in train. But no one ever came.

Fourier, to be polite, was an eccentric; to be accurate, he was probably off his rocker. His world was a fantasy: the earth, he believed, had been given a life of eighty thousand years; forty thousand of ascending vibrations and the same number of descending. In between (never mind the arithmetic) lay eight thousand years of the *Apogée du Bonheur*. We lived in the fifth of eight stages of advancement, having pushed through Confusion, Savagery, Patriarchism, and Barbarousness. Ahead lay Guaranteeism (not a bad bit of insight), and then the upward slope of Harmony. After we reached utter bliss, however, the seesaw would tip and we would work our way right back down through all the stages to the beginning.

But as we worked our way ever deeper into Harmony, things would really begin to pop: a Northern Crown would encircle the Pole, shedding a gentle dew; the sea would become lemonade; six new moons would replace the old solitary satellite; and new species would emerge, better suited to Harmony: an antilion, a docile and most serviceable beast; an antiwhale, which could be harnessed to ships; an antibear; antibugs; and antirats. We would live to be one hundred and forty-four years old, of which one hundred and twenty years would be spent in the unrestricted pursuit of sexual love.

All this plus a firsthand description of the inhabitants of other planets gives to Fourier's writings the air of a madman. Perhaps he was. But when he turned his starry vision to this earth he saw in it chaos and unhappiness, and he saw, as well, a way to reorganize society.

His prescription was very exact. Society should be organized into phalanxes—the French word is *phalanstères*—which would consist of a kind of Grand Hotel arrangement, not too dissimilar from Owen's Villages of Cooperation. The hotel was carefully described: there would be a large central building (its various rooms and their dimensions were all thought out), and around it would be fields and industrial establishments. You could live in the hotel at the scale best suited to your purse; first, second, or third class, with just as much privacy as you desired (including meals in your

rooms) and with just enough mingling to spread a leaven of culture. Efficiency would be achieved through centralization; Fourier, the old bachelor, paints a mouth-watering picture of the triumphs of the central cuisine.

Everyone would have to work, of course, for a few hours each day. But no one would shirk work, for each would do what he best liked. Thus the problem of dirty work was solved by asking who *liked* to do dirty work. The children, of course. So there would be Little Hordes who would go off gaily to the slaughterhouses or to mend the roads and have the time of their lives. And for the minority of children who shrank from dirty work, there would be Little Bands who would tend the flowers and correct their parents' bad pronunciation. Among the workers there would be amicable competition to see who did best: contests of pear growers and cultivators of spinach and finally (once the phalanstery principle had encircled the globe and the 2,985,984 necessary *phalanstères* established) great battles of omelette chefs and champagne bottlers.

And the whole affair would be profitable in the extreme; gains would run to 30 percent. But it would be communal profit: the surplus would be divided five twelfths to labor, four twelfths to capital, and three twelfths to "ability," and everybody would be urged to become a part owner as well as a fellow worker.

Weird and fantastic as it seems, the Fourierist idea took some hold, even in that fortress of practicality and common sense, the United States. At one time there were over forty phalansteries in this country, and if one groups together the Owenite communities and the religious movements of various sorts, there were at least one hundred and seventy-eight actual Utopian groups with from fifteen to nine hundred members each.

Their variety was immense: some were pious, some impious; some chaste, some licentious; some capitalistic, others anarchic. There was Trumbull Phalanx in Ohio and Modern Times on Long Island; there were Oneida and Brook Farm and New Icaria and one rather remarkable phalanx—the North American Phalanx in New Jersey—which endured

from 1843 to 1855 and then lingered on, half hotel, half community, until the late 1930s. Of all unlikely people, the critic Alexander Woolcott was born there.

None of the dream communities took solid root. Dream worlds have a difficult time contending with the frictions of reality, and of all the projected Utopian rearrangements of society, none was so far removed from practicality as the *phalanstère*. And yet, none is so beguiling. If we could live in a *phalanstère*, who would not like to? Fourier pointed with devastating truth to the miserable unhappiness of the world in which he lived, but his prescription was too much compounded of heavenly ingredients for the mortal ills he wished to cure.

Do they appear ridiculous, these Utopians? It is true that they were all dreamers—but, as Anatole France said, without dreamers, mankind would still live in caves. There was not one without a touch of madness: even Saint-Simon speculated solemnly on the possibility of the beaver, as the most intelligent animal, someday replacing humankind. But they are not noteworthy because they were eccentrics or because of the richness and appealing quality of their fantasies. They are worth our attention because they were courageous, and to appreciate their courage we must appraise and understand the intellectual climate in which they lived.

They lived in a world that was not only harsh and cruel but that rationalized its cruelty under the guise of economic law. Necker, the French financier and statesman, said at the turn of the century, "Were it possible to discover a kind of food less agreeable than bread but having double its substance, people would be reduced to eating only once in two days." Harsh as such a sentiment might have sounded, it did ring with a kind of logic. It was the world that was cruel, not the people in it. For the world was run by economic laws, and economic laws were nothing with which one could or should trifle; they were simply *there*, and to rail about whatever injustices might be tossed up as an unfortunate consequence of their working was as foolish as to lament the ebb and flow of the tides.

The laws were few but final. We have seen how Adam

Smith, Malthus, and Ricardo elaborated the laws of economic distribution. These laws seemed to explain not only how the produce of society tended to be distributed but how it *should* be distributed. The laws showed that profits were evened out and controlled by competition, that wages were always under pressure from population, and that rent accrued to the landlord as society expanded. And that was that. One might not necessarily *like* the result, but it was apparent that this result was the natural outcome of society's dynamics: there was no *personal* ill-will involved nor any personal manipulation. Economic laws were like the laws of gravitation, and it seemed as nonsensical to challenge one as the other. Hence a primer of elementary economic principles said: "A hundred years ago only savants could fathom them [economic laws]. Today they are commonplaces of the nursery, and the only real difficulty is their too great simplicity."

No wonder the Utopians went to such extremes. The laws did look inviolable—and yet the state of society for which they were held responsible was intolerable. So the Utopians took their courage in both hands and said, in effect, the whole system must change. If this is capitalism—with a nod at Robert Blincoe chained to a machine—let us have anything else—Villages of Cooperation, moral codes, or the delightful resort atmosphere of a *phalanstère*. The Utopians—and there were many besides those mentioned in this chapter—were reformers of the heart rather than the head.

This is one reason why we designate them as *Utopian* Socialists. The "utopia" was not merely a matter of idealistic ends; it was also a key to the means. In contradistinction to the Communists, these were reformers who hoped to persuade the members of the *upper* classes that social change would be for their own ultimate benefit. The Communists talked to the masses and urged violence, if necessary, to encompass their ends; the Socialists appealed to their own kind—to the intelligentsia, the *petit bourgeois*, the freethinking middle-class citizen, or the intellectually emancipated aristocrat—for adherents to their schemes. Even Robert Owen hoped to get his brother mill-owners to see the light.

But secondly, note that these were Utopian *Socialists*. This meant they were *economic* reformers. Utopia builders had existed since Plato, but it was not until the French Revolution that they had begun to react to economic as well as political injustice. And since it was early capitalism that provided the chamber of horrors against which they revolted, not unnaturally they turned their backs on private property and the struggle for private wealth. Few of them thought of reform *within* the system; remember that this was the age of the very first watered-down factory legislation and that such grudging reforms as were painfully won were largely honored in the breach. The Utopians wanted something better than reform—they wanted a new society in which Love Thy Neighbor could somehow be made to take priority over the mean gouging of each for himself. In the communality of property, in the warmth of common ownership, were to be found the touchstones of human progress.

They were men of very good will. And yet, for all their good intentions and their earnest theories, the Utopians lacked the stamp of respectability; they needed the imprimatur of someone with them in heart but whose head would be somewhat more firmly attached to his shoulders. And they found such a person in the most unlikely place—in the ultimate conversion to socialism of the person who was by common consent the greatest economist of the age: John Stuart Mill.

Everyone in this chapter is a somewhat unbelievable character, but perhaps J. S. Mill is the most remarkable of them all. His father was James Mill, historian, philosopher, pamphleteer, friend and intimate of Ricardo and Jeremy Bentham, one of the leading intellects of the early nineteenth century. James Mill had definite ideas about almost everything, and especially about education. His son, John Stuart Mill, was the extraordinary result.

John Stuart Mill was born in 1806. In 1809 (not 1819) he began to learn Greek. At age seven he had read most of the dialogues of Plato. The next year he began Latin, having meanwhile digested Herodotus, Xenophon, Diogenes Laërtius,

and part of Lucian. Between eight and twelve he finished Virgil, Horace, Livy, Sallust, Ovid, Terence, Lucretius, Aristotle, Sophocles, and Aristophanes; had mastered geometry, algebra, and the differential calculus; written a Roman History, an Abridgment of the Ancient Universal History, a History of Holland, and a few verses. "I never composed at all in Greek, even in prose, and but little in Latin," he wrote in his famous *Autobiography*. "Not that my father could be indifferent to the value of this practice . . . but because there really was not the time for it."

At the ripe age of twelve, Mill took up logic and the work of Hobbes. At thirteen he made a complete survey of all there was to be known in the field of political economy.

It was a strange, and by our standards a dreadful, upbringing. There were no holidays "lest the habit of work should be broken, and a taste for idleness acquired," no boyhood friends, and not even a real awareness that his education and rearing were significantly different from the normal. The miracle is not that Mill subsequently produced great works, but that he managed to avoid a complete destruction of his personality. He did have a kind of nervous breakdown: in his twenties; the delicate dry intellectual world of work and effort on which he had been nourished suddenly became sterile and unsatisfying, and while other youths had to discover that there could be beauty in intellectual activity, poor Mill had to find that there could be beauty in beauty. He underwent a siege of melancholy; then he read Goethe, then Wordsworth, then Saint-Simon—all people who spoke of the heart as seriously as his father had spoken of the brain. And then he met Harriet Taylor.

There was, worse luck, a Mr. Taylor. He was ignored; Harriet Taylor and Mill fell in love and for twenty years wrote each other, traveled together, and even lived together—all (if we are to believe their correspondence) in perfect innocence. Then the barrier of Mr. Taylor was removed by his death and the two finally married.

It was a superlative match. Harriet Taylor (and later, her daughter, Helen) completed for Mill the emotional awakening that had begun so late; together, the two women opened

his eyes to women's rights and, even more importantly, to mankind's rights. After Harriet's death, when he was reflecting on the story of his life, he reviewed their converging influences on himself, and he wrote: "Whoever, either now or hereafter, may think of me and of the work I have done, must never forget that it is the product not of one intellect and conscience, but of three."

Mill, as we have seen, learned all the political economy there was to know at the age of thirteen. It was not until thirty years later that he wrote his great text, the two long, masterful volumes of the *Principles of Political Economy*. It was as if he had accumulated thirty years of knowledge just for this purpose.

The book is a total survey of the field: it takes up rent and wages and prices and taxes, and retraces the paths that had been first mapped by Smith and Malthus and Ricardo. But it is far more than a mere updating of doctrines that had by now received the stamp of virtual dogma. It goes on to make a discovery of its own, a discovery that Mill believed to be of monumental importance. Like so many great insights, the discovery was very simple. It consisted in pointing out that the true province of economic law was production and not distribution.

What Mill meant was very clear: the economic laws of production concern nature. There is nothing arbitrary about whether labor is more productive in this use or that, nor is there anything capricious or optional about such a phenomenon as the diminishing powers of productivity of the soil. Scarcity and the obduracy of nature are real things, and the economic rules of behavior which tell us how to maximize the fruits of our labor are as impersonal and as absolute as the laws of the expansion of gases or the interaction of chemical substances.

But—and this is perhaps the biggest *but* in economics—the laws of economics have nothing to do with distribution. Once we have produced wealth as best we can, we can do with it as we like. "The things once there," says Mill, "mankind, individually or collectively, can do with them as they please. They can place them at the disposal of whomso-

ever they please, and on whatever terms. . . . Even what a person has produced by his individual toil, unaided by anyone, he cannot keep, unless by the permission of society. Not only can society take it from him, but individuals could and would take it from him, if society . . . did not . . . employ and pay people for the purpose of preventing him from being disturbed in [his] possession. The distribution of wealth, therefore, depends on the laws and customs of society. The rules by which it is determined are what the opinions and feelings of the ruling portion of the community make them, and are very different in different ages and countries, and might be still more different, if mankind so chose. . . ."

It was a body blow to the followers of Ricardo who had rigidified his objective findings into a straitjacket for society. For what Mill said was transparently obvious—once it had been said. Never mind if the "natural" action of society was to depress wages or to equalize profits or to raise rents or whatever. If society did not like the "natural" results of its activities, it had only to change them. Society could tax and subsidize, it could expropriate and redistribute. It could give all its wealth to a king, or it could run a gigantic charity ward; it could give due heed to incentives, or it could—at its own risk—ignore them. But whatever it did, there was no "correct" distribution—at least none that economics had any claim to fathom. There was no appeal to "laws" to justify how society shared its fruits: there were only men sharing their wealth as they saw fit.

Actually, Mill's discovery was not quite so monumental as he believed. For as conservative economists quickly pointed out, when men intervene into the distribution process, they cannot help intervening into the production process as well: a 100 percent tax on profits, for example, would certainly have a terrific impact on how much there was, as well as on who got it. And as Marx was to point out from another perspective, one cannot separate distribution and production as cleanly as Mill thought, because different societies arrange their modes of payment as integral parts of their modes of production: feudal societies, for example, do

not have "wages," any more than capitalist societies have feudal dues.

Thus from both Right and Left came the criticism that there were *limits* on the freedom with which societies could restructure their distribution—much narrower limits than Mill implied. And yet it would be wrong to undervalue Mill's insight, just as it is wrong to exaggerate it. For the existence of limits means that there is room for maneuver, that capitalism is not beyond reform. Indeed, the New Deal and the welfare capitalisms of Scandinavia are the direct expressions of Mill's vision of a society that would try to remedy its "natural" workings by imposing its moral values. Who is to say that this has not led to important social change, even if the change is limited?

Certainly in Mill's own time, his findings came as a breath of fresh air. In an age when smugness and cant were the order of the day, Mill spoke out with a voice of extraordinary moral clarity. In his *Principles*, for example, after making his great division between Production and Distribution, he went on to examine the contemporary schemes of "communism" proposed by various Utopian reformers—not, let us hasten to add, the communism of Marx, of whose existence Mill was quite unaware.

Mill considered the various objections that could be lodged against these "communistic" schemes, and saw some merit in many of them. But then he summed up his opinion in this thunderous paragraph:

If . . . the choice were to be made between Communism with all its chances, and the present state of society with all its sufferings and injustices; if the institution of private property necessarily carried with it as a consequence, that the produce of labour should be apportioned as we now see it, almost in an inverse ratio to the labour—the largest portions to those who have never worked at all, the next largest to those whose work is almost nominal, and so in a descending scale, the remuneration dwindling as the work grows harder and more disagreeable, until the most fatiguing and exhausting

bodily labour cannot count with certainty on being able to earn even the necessities of life; if this or Communism were the alternatives, all the difficulties, great or small, of Communism would be as dust in the balance.

But, Mill went on to add, this was not quite the choice. For the principle of private property, he believed, had not yet had a fair trial. The laws and institutions of Europe still reflected the violent feudal past, not the spirit of reform that Mill believed attainable through the application of the very principles he was writing about.

Thus in the end, he stopped short of advocating really revolutionary change for two reasons. First, he saw in the rough and harsh contest of daily life a necessary vent for the energies of mankind.

"I confess," he wrote, "I am not charmed with an ideal of life held out by those who think that the normal state of human beings is that of struggling to get on; that the trampling, crushing, elbowing, and treading on each other's heels, which form the existing type of social life, are the most desirable lot of human kind, or anything but the disagreeable symptoms of one of the phases of industrial progress."

But a distaste for acquisitiveness did not blind him to its usefulness: "That the energies of mankind should be kept in employment by the struggle for riches as they were formerly by the struggle for war; until the better minds succeed in educating the others into better things, is undoubtedly better than that they should rust and stagnate. While minds are coarse they require coarse stimuli and let them have them."

And then there was a second, perhaps more cogent, reservation. Weighing up the pros and cons of the imagined society of communism, Mill saw a difficulty that he expressed in these words:

The question is whether there would be any asylum left for individuality of character; whether public opinion would not be a tyrannical yoke; whether the absolute dependence of each on all, and the surveillance of each by

all, would not grind all down into a tame uniformity of thoughts, feelings, and actions. . . . No society in which eccentricity is a matter of reproach can be in a wholesome state.

This is the "political" Mill speaking, later to be the author of the tract *On Liberty*, which is, perhaps, his greatest work. But we are interested here in the economist Mill. For his *Principles* was much more than an exploration of the possibilities for social reform. It was also a large-scale social model that projected a trajectory for the capitalist system, much as had the models of Smith and Ricardo before him. But Mill's model had a destination different from any theretofore. As we have seen, Mill was above all else a believer in the possibility of *changing* social behavior. Therefore he no longer swallowed the main mechanism of gloom for Ricardo—the population reflex that vitiated all chances for substantial working-class improvement. Instead, Mill thought that the working classes could be educated to understand their Malthusian peril, and that they would thereupon voluntarily regulate their numbers.

With the pressure of population on wages removed, Mill's model took a different turn from those of Ricardo and Smith. As before, the tendencies of the accumulation process would bid up wages, but this time there would be no flood of children to lessen the pressure of wages on profits. As a result, wages would rise and the accumulation of capital would come to an end. Thus Mill's system approached a high *stationary* plateau, just as Smith's or Ricardo's would have done had it not been for their relentless population pressures.

But now comes another departure. Rather than seeing a stationary state as the finale for capitalism and economic progress, Mill sees it as the first stage of a benign socialism, where mankind would turn its energies to serious matters of justice and liberty, not just to economic growth. Within this impending stationary society, great changes could be made. The state would prevent landlords from reaping unearned benefits, just as it would tax away inheritances. Associations of workmen would displace the organization of enterprises in

which men were subordinate to masters. By their sheer competitive advantages, the workers' cooperatives would win the day. Capitalism would gradually disappear as former masters sold out to their workingmen and retired on annuities.

Is it all just a Utopian fantasy? Looking back on a century of enormous economic expansion that followed the last edition of the *Principles*, we can only smile when we realize that Mill believed England (and by extension, world capitalism) to be within a "hand's breadth" of a stationary state. And yet, looking ahead at the problems that will face capitalist expansion over the next generation or two, and reflecting again on the degree to which some capitalist nations, such as Holland or the Scandinavian trio, have managed to introduce a high level of social responsibility into their economic framework, we cannot dismiss his vision as mere Victorian wishful thinking. Perhaps because he *is* a Victorian, Mill is too easily dismissed, for his calm reasoned prose, restrained even in his heights of eloquence, does not speak in the tones that attract the modern ear. Yet, Mill has a way of returning—of finding his way to the back door after he has been ushered out the front.

So let us bid him a respectful adieu. He lived until 1873, a venerated, almost worshiped man, his mildly Socialistic leanings forgiven in exchange for his vista of hope and his removal of the pall of Malthusian and Ricardian despair. After all, what he advocated was not so shocking but that it could be embraced by many who were not Socialists: taxation of rents, and inheritance taxes, and the formation of workmen's cooperatives. He was not very sanguine about the possibilities of trade unions, and that was all to the good, as far as respectable opinion went. It was a doctrine English to the core: gradualist, optimistic, realistic, and devoid of radical overtones.

Principles of Political Economy was an enormous success. It went into seven editions in the expensive two-volume edition during his own lifetime, and, characteristic of Mill, he had it printed at his own expense in one cheap volume that would be within the reach of the working class. Five cheap editions also sold out before he died. Mill became the Great

Economist of his day; he was talked of as Ricardo's rightful successor and heir, and compared not unfavorably with Adam Smith himself.

And economics aside, the man himself was so respected. In addition to *On Liberty*, Mill was the author of *Logic*, of *Considerations on Representative Government*, and of *Utilitarianism*, all classics in their fields. And more than merely brilliant, he verged on being saintly. When Herbert Spencer, his great rival in the area of philosophy, found himself so straitened in circumstances that he was unable to complete his projected series on social evolution, it was Mill who offered to finance the project. "I beg that you will not consider this proposal in the light of a personal favor," he wrote his rival, "though even if it were I should still hope to be permitted to offer it. But it is nothing of the kind—it is a simple proposal of cooperation for an important public purpose, for which you give your labor and have given your health."

There was never a more typical gesture. Mill cared only for two things: his wife, for whom he conceived a devotion that his friends thought verged on blindness, and the pursuit of knowledge, from which nothing could deflect him. When he was elected to Parliament his defense of human rights exceeded the temper of the day; he was thereupon defeated, but he cared not a whit either way. As he saw the world, so he wrote and spoke, and the only person who mattered, as far as approval went, was his beloved Harriet.

After she died, there was her daughter, Helen, now equally indispensable. In gratitude, Mill wrote in his *Autobiography*: "Surely no one before was so fortunate as, after such a loss as mine, to draw another such prize in the lottery of life." He retired to spend his last days with Helen in Avignon, near Harriet's grave, a wonderfully wise and thoroughly great man.

One last coincidence. His masterwork on economics, with its message of progress and the opportunity for peaceful change and betterment, was published in 1848. Perhaps it was not an epoch-making book, but it was certainly an epoch-marking one. For by a curious quirk of fate another, far

smaller book—a pamphlet—was published in the same year. It was entitled *The Communist Manifesto*, and in its few pages it undid, in bitter words, all the calm and buoyant reasonableness with which J. S. Mill had endowed the world.

The Inexorable System of Karl Marx

The *Manifesto* opened with ominous words: "A spectre is haunting Europe—the spectre of Communism. All the powers of old Europe have entered into a holy alliance to exorcise this spectre: Pope and Tsar, Metternich and Guizot, French Radicals and German police spies."

The specter certainly existed: 1848 was a year of terror for the old order on the Continent. There was a revolutionary fervor in the air and a rumble underfoot. For a moment—for a brief moment—it looked as if the old order might break down. In France the plodding regime of Louis Philippe, the portly middle-class king, wrestled with a crisis and then collapsed; the king abdicated and fled to the security of a Surrey villa, and the workingmen of Paris rose in a wild uncoordinated surge and ran up the Red Flag over the Hôtel de Ville. In Belgium a frightened monarch offered to submit his resignation. In Berlin the barricades went up and bullets whistled; in Italy mobs rioted; and in Prague and Vienna popular uprisings imitated Paris by seizing control of the cities.

"The Communists disdain to conceal their views and aims," cried the *Manifesto*. "They openly declare that their ends can be attained only by the forcible overthrow of all existing social relations. Let the ruling classes tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to win."

The ruling classes did tremble, and they saw the threat of communism everywhere. Nor were their fears groundless. In the French foundries the workmen sang radical songs to the accompaniment of blows from their sledgehammers, and the German romantic poet Heinrich Heine, who was touring the factories, reported that "really people in our gentle walk of life can have no idea of the demonic note which runs through these songs."

But despite the clarion words of the *Manifesto*, the demonic note was not a call for a revolution of communism; it was a cry born only of frustration and despair. For all of Europe was in the grip of reaction compared with which conditions in England were positively idyllic. The French government had been characterized by John Stuart Mill as "wholly without the spirit of improvement and . . . wrought almost exclusively through the meaner and more selfish impulses of mankind," and the French had no monopoly on such a dubious claim to fame. As for Germany, well, here it was, the fourth decade of the nineteenth century, and Prussia still had no parliament, no freedom of speech or right of assembly, no liberty of the press or trial by jury, and no tolerance for any idea that deviated by a hair's breadth from the antiquated notion of the divine right of kings. Italy was a hodgepodge of anachronistic principalities. Russia under Nicholas I (despite the Tsar's one-time visit to Robert Owen's New Lanark) was characterized by the historian de Tocqueville as "the cornerstone of despotism in Europe."

Had the despair been channeled and directed, the demonic note might have changed into a truly revolutionary one. But, as it was, the uprisings were spontaneous, undisciplined, and aimless; they won initial victories, and then, while they were wondering what next to do, the old order rocked invincibly back into place. The revolutionary fervor abated, and where it did not, it was mercilessly crushed. At the price of ten thousand casualties, the Paris mobs were subdued by the National Guard, and Louis Napoleon took over the nation and soon exchanged the Second Republic for the Second Empire. In Belgium the country decided that it had better ask the king to stay after all; he acknowledged the tribute by

abolishing the right of assembly. The Viennese and Hungarian crowds were cannonaded from their strongholds, and in Germany a constitutional assembly that had been bravely debating the question of republicanism broke down into factional bickering and then ignominiously offered the country to Frederick William IV of Prussia. Still more ignominiously, that monarch declared that he would accept no crown proffered by the ignoble hands of commoners.

The revolution was over. It had been fierce, bloody, but inconclusive. There were a few new faces in Europe, but the policies were much the same.

But to a little group of working-class leaders who had just formed the Communist League, there was no cause for deep despair. True, the revolution for which they had entertained high hopes had petered out and the radical movements pocketed throughout Europe were being more ruthlessly hounded than ever before. Yet all that could be regarded with a certain equanimity. For according to their understanding of history, the uprisings of 1848 were only the small-scale dress rehearsals of a gigantic production that was scheduled for the future, and of the eventual success of that awesome spectacle there could be not the shadow of a doubt.

The League had just published its statement of objectives and called it *The Communist Manifesto*. With all its slogans and its trenchant phrases, the *Manifesto* had not been written merely to whip up revolutionary sentiment or to add another voice of protest to the clamor of voices that filled the air. The *Manifesto* had something else in mind: a philosophy of history in which a Communist revolution was not only desirable but demonstrably *inevitable*. Unlike the Utopians, who also wanted to reorganize society closer to their desires, the Communists did not appeal to men's sympathies or to their addiction to building castles in the air. Rather, they offered men a chance to hitch their destinies to a star and to watch that star move inexorably across the historical zodiac. There was no longer a contest in which one side or the other ought to win for moral or sentimental reasons or because it thought the existing order was outrageous. Instead there was

a cold analysis of which side *had* to win, and since that side was the proletariat, their leaders had only to wait. In the end, they could not lose.

The *Manifesto* was a program written for the future. But one thing would have surprised its authors. They were prepared to wait—but not for *seventy* years. They were already scanning Europe for the likeliest incubator of revolt. And they never even cast a glance in the direction of Russia.

The *Manifesto*, as everybody knows, was the brainchild of that angry genius, Karl Marx. More accurately, it was the result of collaboration between him and his remarkable companion, compatriot, supporter, and colleague, Friedrich Engels.

They are interesting, and, of course, enormously important men. The trouble is, they rapidly became not just men, but figures. At least until the Soviet debacle, Marx was widely considered a religious leader to rank with Christ or Mohammed, and Engels thus became a sort of Saint Paul or John. In the Marx-Engels Institute in Moscow, scholars pored over their works with the idolatry they ridiculed in the antireligious museums down the street. But while Marx and Engels were canonized in Stalinist Russia and, to a lesser extent, in Maoist China, they were regarded as creatures of the devil in much of the rest of the world.

They merit neither treatment, for they were neither saints nor devils. Nor is their work either Scripture or anathema. It belongs in the great line of economic viewpoints that have successively clarified, illuminated, and interpreted the world for us, and like the other great works on the shelf, it is not without flaw. The world has been preoccupied with Marx the Revolutionary. But had Marx not lived, there would have been other Socialists and other prophets of a new society. The real and lasting impact of Marx and Engels is not their revolutionary activity, none of which bore too much fruit during their own lifetimes. It is with the vision of Marx the Political Economist that capitalism must finally come to grips. For the final imprint he made on history was his prediction that capitalism must inevitably collapse. On that pre-

diction, communism built its edifice, heedless of its own weaknesses.

But let us see the men.

They were very much opposites in appearance. Marx looked like a revolutionary. His children called him "The Moor," for his skin was dark and his eyes deep-set and flashing. He was stocky and powerfully built and rather glowering in expression with a formidable beard. He was not an orderly man; his home was a dusty mass of papers piled in careless disarray in the midst of which Marx himself, slovenly dressed, padded about in an eye-stinging haze of tobacco smoke. Engels, on the other hand, would pass for a member of his despised *bourgeoisie*; tall and fair and rather elegant, he had the figure of a man who liked to fence and to ride to hounds and who had once swum the Weser River four times without a break.

It was not only in their looks that they differed; their personalities were at opposite poles. Engels was gay and observant and gifted with a quick and facile mind; it was said that he could stutter in twenty languages. He had a taste for the bourgeois pleasures in life, including a good palate for wine, and it is amusing to note that although he turned to the proletariat for his amours, he spent much of his time romantically (and unsuccessfully) trying to prove that his working-class mistress, Mary Burns (and later, after her death, her sister Lizzie), were actually descended from the Scottish poet.

Marx was much more ponderous. He is the German scholar par excellence, slow, meticulous, and painstakingly, even morbidly, perfectionist. Engels could dash off a treatise in no time at all; Marx was always worrying one to death. Engels was fazed only by Arabic with its four thousand verb roots; Marx, after twenty years of practice, still spoke hideously Teutonic English. When he writes of the great "chock" which events have caused him, we can almost hear him speak. But for all his heaviness, Marx is the greater mind of the two; where Engels supplied breadth and dash, Marx provided the depth.

They met, for the second time, in 1844 in Paris, and their collaboration begins at this date. Engels had come merely to call on Marx, but they had so much to say to each other that their conversation lasted for ten days. Thereafter there is hardly a product of the one that was not edited or rewritten or at least debated with the other, and their correspondence fills volumes.

Their paths to that common meeting ground in Paris were widely divergent. Engels was the son of a pietist, Calvinist, narrow-minded father, a manufacturer in the Rhineland. When Friedrich as a young man had shown an incomprehensible taste for poetry, his father had packed him off to Bremen to learn the export business and to live with a cleric: religion and moneymaking, according to Caspar Engels, were good cures for a romantic soul. Engels had dutifully applied himself to business, but everything he saw was colored by a personality in revolt, a happy-go-lucky personality that was incompatible with his father's rigid standards. He went down to the docks in the course of business, but his observant eye took in not only the first-class accommodations "in mahogany ornamented with gold" but the steerage as well, where the people were "packed in like the paving-stones in the streets." He began to read the radical literature of his time, and by the age of twenty-two he was converted to the ideals of "communism"—a word that then had no very clear definition except insofar as it rejected the idea of private property as a means for organizing society's economic effort.

Then he went to Manchester to enter his father's textile business there. Manchester, like the ships in Bremen, seemed to Engels a façade. There were pleasant streets lined with shops and suburbs ringing the city with pleasant villas. But there was a second Manchester as well. It was hidden behind the first and laid out so that the mill owners never had to see it on their trips to their offices. It harbored a stunted population living in a state of filth and despair, turning to gin and evangelism and doping itself and its children with laudanum against a life that was hopeless and brutal. Engels had seen similar conditions in the factory towns of his Rhineland

home, but now he explored Manchester until he knew every last hovel and each ratlike abode. He was to publish his findings in the most terrible verdict ever passed on the world of industrial slums: *The Condition of the Working Class in England in 1844*. One time he talked of the misery of the place to a gentleman friend and remarked that he had never seen so "ill-built a city." His companion listened to him quietly and then said, "And yet there is a great deal of money made here; good day, sir."

He was writing now—treatises to show that the great English economists were only apologists for the existing order—and one of his contributions made a special impression on a young man named Karl Marx, who was editing a radical philosophical magazine in Paris.

Unlike Engels, Marx came from a liberal, even mildly radical, family background. He was born in 1818 in Trier, Germany, the second son of a prosperous Jewish family that shortly thereafter adopted Christianity so that Heinrich Marx, an advocate, might be less restricted in his practice. Heinrich Marx was a respected man; he was, in fact, even appointed *Justizrat*, an honorary title for eminent lawyers, but in his day he had joined illegal banquet clubs that drank toasts to a republican Germany, and he had reared his young son on a diet of Voltaire, Locke, and Diderot.

Heinrich Marx hoped that his son would study law. But at the universities of Bonn and Berlin, young Marx found himself swept up in the great philosophical debate of the day. The philosopher Hegel had propounded a revolutionary scheme, and the conservative German universities found themselves split wide open over it. Change, according to Hegel, was the rule of life. Every idea, every force, irrepressibly bred its opposite, and the two merged into a "unity" that in turn produced its own contradiction. And history, said Hegel, was nothing but the expression of this flux of conflicting and resolving ideas and forces. Change—dialectical change—was immanent in human affairs. With one exception: when it came to the Prussian state, the rules no longer applied; the Prussian government, said Hegel, was like "a veritable earthly god."

This was a powerful stimulus for a young student. Marx joined a group of intellectuals known as the Young Hegelians who debated such daring questions as atheism and pure theoretical communism in terms of the Hegelian dialectic, and he decided to become a philosopher himself. He might have, had it not been for the action of that godlike state. Marx's favorite professor, Bruno Bauer, who was eager to procure an appointment for him at Bonn, was dismissed for proconstitutional and antireligious ideas (one evidently as bad as the other), and an academic career for young Dr. Marx became an impossibility.

He turned instead to journalism. The *Rheinische Zeitung*, a small middle-class liberal newspaper, to which he had been a frequent contributor, asked him to take on its editorship. He accepted; his career lasted exactly five months. Marx was then a radical, but his radicalism was philosophical rather than political. When Friedrich Engels came respectfully to call on him, Marx rather disapproved of that brash young man brimming with Communist ideas, and when Marx himself was accused of being a Communist, his reply was equivocal: "I do not know communism," he said, "but a social philosophy which has as its aim the defense of the oppressed cannot be condemned so lightly." But regardless of his disavowals, his editorials were too much for the authorities. He wrote a bitter denunciation of a law that would have prevented the peasants from exercising their immemorial rights to gather dead wood in the forests; for this he was censured. He wrote editorials deploring the housing situation; for this he was warned. And when he went so far as to say some uncomplimentary things about the Tsar of Russia, the *Rheinische Zeitung* was suppressed.

Marx went to Paris to take over another radical journal, which was to be almost as short-lived as the newspaper. But his interests were now turned in the direction of politics and economics. The undisguised self-interest of the Prussian government, the implacable resistance of the German *bourgeoisie* toward anything that might alleviate the condition of the German working classes, the almost caricaturesque attitudes of reaction which characterized the wealthy and ruling

classes of Europe—all of this had coalesced in his mind to form part of a new philosophy of history. And when Engels came to visit him and the two struck up their strong rapport, that philosophy began to take formal shape.

The philosophy is often called dialectical materialism; *dialectical* because it incorporates Hegel's idea of inherent change, and *materialism* because it grounds itself not in the world of ideas, but on the terrain of social and physical environment.

"The materialist conception of history," wrote Engels many years later in a famous tract entitled "Anti-Dühring" (it was aimed against a German professor named Eugen Dühring) "starts from the principle that production, and with production the exchange of its products, is the basis of every social order; that in every society that has appeared in history the distribution of the products, and with it the division of society into classes or estates, is determined by what is produced and how it is produced, and how the product is exchanged. According to this conception, the ultimate causes of all social changes and political revolutions are to be sought, not in the minds of men, in their increasing insight into eternal truth and justice, but in changes in the mode of production and exchange; they are to be sought not in the *philosophy* but in the *economics* of the epoch concerned."

The reasoning is powerful. Every society, says Marx, is built on an economic base—the hard reality of human beings who must organize their activities to clothe and feed and house themselves. That organization can differ vastly from society to society and from era to era. It can be pastoral or built around hunting or grouped into handicraft units or structured into a complex industrial whole. But whatever the form in which men solve their basic economic problem, society will require a "superstructure" of noneconomic activity and thought—it will need to be bound together by laws, supervised by a government, inspired by religion and philosophy.

But the superstructure of thought cannot be selected at random. It must reflect the foundation on which it is raised. No hunting community would evolve or could use the legal

framework of an industrial society, and similarly no industrial community could use the conception of law, order, and government of a primitive village. Note that the doctrine of materialism does not toss away the catalytic function and creativity of ideas. It only maintains that thoughts and ideas are the *product* of environment, even though they aim to change that environment.

Materialism by itself would reduce ideas to mere passive accompaniments of economic activity. That was never Marx's contention. For the new theory was *dialectical* as well as materialist: it envisaged change, constant and inherent change; and in that never-ending flux the ideas emanating from one period would help to shape another. "Men make their own history," wrote Marx, commenting on the *coup d'état* of Louis Napoleon in 1852, "but they do not make it just as they please; they do not make it under circumstances chosen by themselves, but under circumstances directly found, given, and transmitted from the past."

But the dialectical—the internal dynamism—aspect of this theory of history did not depend merely on the interplay of ideas and social structures. There was another and far more powerful agent at work. The economic world itself was changing; the bedrock on which the structure of ideas was built was itself in movement.

For example, the isolated markets of the Middle Ages began to lock fingers under the impetus of exploration and political unification, and a new commercial world was born. The old hand mill was replaced by the steam mill under the impetus of invention, and a new form of social organization called the factory came into being. In both cases the determining framework of economic life itself changed its form, and as it did, it forced a new social adaptation from the community in which it was embedded. "The hand-mill gives you society with the feudal lord," Marx wrote, "the steam-mill, society with the industrial capitalist."

And once such a change had taken place, it carried with it a whole train of consequences. The market and the factory were incompatible with the feudal way of life—even though they were born amidst it. They demanded a new cultural and

social context to go with them. And they helped in that difficult birthing process by creating their own new social classes: the market nurtured a new merchant class, and the factory gave birth to an industrial proletariat.

But the process of social change was not merely a matter of new inventions pressing on old institutions: it was a matter of new classes displacing old ones. For society, said Marx, is organized into class structures, aggregates of individuals who stand in some common relationship—favorable or otherwise—to the existing form of production. And economic change threatens all of that. As the organizational and technical forces of production change—as factories destroy handicraft industry, for example—the social relations of production change too; those on top may find the ground cut from under them, while those who were on the bottom may be carried higher. We have seen just such an upset of the relative position of social classes in Ricardo's day in England, when the capitalists, riding the wave of the Industrial Revolution, were threatening to usurp the time-honored prerogatives of the landed gentry.

Hence conflict develops. The classes whose positions are jeopardized fight the classes whose positions are enhanced: the feudal lord fights the rising merchant, and the guild master opposes the young capitalist.

But the process of history pays no attention to likes and dislikes. Gradually conditions change, and gradually, but surely, the classes of society are rearranged. Amid turmoil and anguish the division of wealth is altered. And thus history is a pageant of ceaseless struggle between classes to partition social wealth. For as long as the technics of society change, no existing division of wealth is immune from attack.

What did this theory augur for the society of Marx and Engels's day? It pointed to revolution—inevitable revolution. For capitalism, according to this analysis, must also contain "forces" and "relations" of production—a technological and organizational foundation, and an architecture of law and political rights and ideology. And if its technical base was evolving, then necessarily its superstructure must be subject to increasing strain.

That is exactly what Marx and Engels saw in 1848. The economic base of capitalism—its anchor in reality—was industrial production. Its superstructure was the system of private property, under which a portion of society's output went to those who owned its great technical apparatus. The conflict lay in the fact that the base and superstructure were incompatible.

Why? Because the base of industrial production—the actual making of goods—was an ever more organized, integrated, *interdependent* process, whereas the superstructure of private property was the most *individualistic* of social systems. Hence the superstructure and the base clashed: factories necessitated social planning, and private property abhorred it; *capitalism* had become so complex that it needed direction, but *capitalists* insisted on a ruinous freedom.

The result was twofold. First, capitalism would sooner or later destroy itself. The planless nature of production would lead to a constant disorganization of economic activity—to crises and slumps and the social chaos of depression. The system was simply too complex; it was constantly getting out of joint, losing step, and overproducing one good while underproducing another.

Secondly, capitalism must unknowingly breed its own successor. Within its great factories it would not only create the technical base for socialism—rationally planned production—but it would create as well a trained and disciplined *class* which would be the agent of socialism—the embittered proletariat. By its own inner dynamic, capitalism would produce its own downfall, and in the process, nourish its own enemy.

It was a profoundly important insight into history, not only for what it betokened for the future, but for the whole new perspective it opened upon the past. We have come to be familiar with the "economic interpretation" of history, and we can accept with equanimity a reevaluation of the past with respect to the struggle, say, of the nascent seventeenth-century commercial classes and the aristocratic world of land and lineage. But for Marx and Engels, this was no mere exercise in historical reinterpretation. The dialectic led to the fu-

ture, and that future, as revealed by *The Communist Manifesto*, pointed to revolution as the destination toward which capitalism was moving. In somber words the *Manifesto* proclaimed: "The development of modern industry . . . cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products. What the bourgeoisie therefore produces, above all, are its own gravediggers. Its fall and the victory of the proletariat are equally inevitable."

The *Manifesto*, with its rumbling, inexorable interpretation of history, was not written in Paris. Marx's career had been brief in that city. He edited a caustic, radical magazine; he again rubbed the sensibilities of the Prussian government; and at its behest, he was expelled from the French capital.

He was married now—in 1843 he had married Jenny von Westphalen, who had lived next door to him as a child. Jenny was the daughter of a Prussian aristocrat and Privy Councilor, but Baron von Westphalen was nevertheless a humanist and liberal thinker. He had talked to young Marx about Homer and Shakespeare and even told him about the ideas of Saint-Simon despite their pronouncement as heresy by the local bishop. As for Jenny—she was the belle of the town. Beautiful and with suitors galore, she could easily have made a more "suitable" match than the dark young man next door. But she was in love with him, and both families smiled their approval. For the Marxes such a marriage would be a not inconsiderable social triumph, and for the Baron it was, perhaps, a happy vindication of his humanist ideas. One wonders if he would have given his consent could he have foreseen what was to happen to his daughter. For Jenny was to be forced to share the bed of a common prostitute in jail and would have to beg the money from a neighbor to buy a coffin to bury one of her children. In place of the pleasant comforts and the social prestige of Trier, she was to spend the years of her life in two dismal rooms in a London slum, sharing with her husband the calumny of a hostile world.

And yet it was a deeply devoted union. In his dealings with outsiders, Marx was unkind, jealous, suspicious, and

wrathful; but he was a joyous father and a loving husband. At one period, when his wife was ill, Marx turned to Lenchen, the Westphalian family maid who stayed with them, unpaid, all their days, but even that infidelity—from which an unacknowledged child was born—could not undo a relationship of great passion. Later, much later, when Jenny was dying and Marx was ill, this lovely scene was witnessed by her daughter.

Our dear mother lay in the big front room and the Moor lay in the little room next to it. . . . Never shall I forget the morning he felt himself strong enough to go into Mother's room. When they were together they were young again—she a young girl and he a loving youth, both on life's threshold, not an old disease-ridden man and an old dying woman parting from each other for life.

The Marxes had moved to London in 1849. Expulsion from Paris, four years before, had landed them in Brussels, where they stayed (and the *Manifesto* was composed) until the revolutionary outbursts in 1848. Then, when the Belgian king had secured a firm enough grip on his shaky throne, he rounded up the radical leaders in his capital, and Marx went briefly to Germany.

It was the same pattern all over again. Marx took over the editorship of a newspaper, and it was only a matter of time before the government closed it down. He printed the last edition in red—and sought a haven in London.

He was now in desperate financial shape. Engels was in Manchester, leading his strange double life (he was a respected figure on the Manchester Stock Exchange), and he supplied the Marxes with a never-ending stream of checks and loans. Had Marx been a financially orderly person, the family might have lived in decency. But Marx was never one to balance his books. Thus the children had music lessons—and the family went without heat. Life was a constant struggle against bankruptcy, and money worries were a suffocating presence always.

There were, in all, five of them including Lenchen. Marx

had no work—except his never-ending stint in the British Museum from ten o'clock every morning until seven o'clock at night. He tried to make a little money by writing articles on the political situation for the *New York Tribune*, whose editor, Charles A. Dana, was a Fourierist and not averse to a few slaps at European politics. It helped for a while, although it was Engels who bailed Marx out by composing many of his pieces for him—Marx meanwhile advising by letter as follows: "You must your war-articles colour a little more." When the articles stopped, he tried to get a clerical job with a railway, but was rejected for his atrocious handwriting. Thereafter he pawned what was left to his name, all the family silver and valuables having been sold long ago. At times his want was so intense that he was forced to sit home because his coat and even his shoes were in pawn; on other occasions he lacked the money to buy postage stamps to send his works to the publisher. And to compound his difficulties, he suffered from the most painful boils. When he arrived home one evening after writing in misery all day long in the Museum he remarked, "I hope the bourgeoisie as long as they live will have cause to remember my carbuncles." He had just composed the terrible chapter of *Das Kapital* which describes the Working Day.

There was only Engels to fall back on. Marx wrote him constantly, touching on economics, politics, mathematics, military tactics, on everything under the sun, but especially on his own situation. A typical excerpt reads:

My wife is ill. Little Jenny is ill. Lenchen has a sort of nervous fever and I can't call in the doctor because I have no money to pay him. For about eight or ten days we have all been living on bread and potatoes and it is now doubtful whether we shall be able to get even that. . . . I have written nothing for Dana because I didn't have a penny to go and read the papers. . . . How am I to get out of this infernal mess? Finally, and this was most hateful of all, but essential if we were not to kick the bucket, I have, over the last 8–10 days, touched some German types for a few shillings and pence . . .

Only the last years were a little easier. An old friend left Marx a small bequest, and he was able to live in some comfort, and even to travel a bit for his health. Engels, too, finally came into an inheritance and left his business; in 1869 he went to his office for the last time and came over the fields to meet Marx's daughter, "swinging his stick in the air and singing, his face beaming."

In 1881 Jenny died; she had buried two of her five children, including her only son; she was old and tired. Marx was too ill to go to the funeral; when Engels looked at him he said, "The Moor is dead, too." Not quite; he lingered for two more years; disapproved of the husbands two of his daughters had chosen; grew weary of the bickering of the working-class movement and delivered himself of a statement that has never ceased to bedevil the faithful ("I am not a Marxist," he said one day); and then on a March afternoon, quietly slipped away.

What had he done, in these long years of privation?

He had produced, for one thing, an international working-class movement. As a young man, Marx had written: "The philosophers hitherto have only interpreted the world in various ways; the thing, however, is to change it." Marx and Engels had given the accolade to the proletariat in their interpretation of history; now they set about steering and guiding the proletariat so that it should exert its maximum leverage on history.

It was not an attempt crowned with much success. Coincident with the publication of the *Manifesto*, the Communist League had been formed, but it was never much more than a paper organization; the *Manifesto*, which was its platform, was not then even placed on public sale, and with the demise of the revolution of 1848, the League died too.

It was followed in 1864 with a far more ambitious organization, the International Workingmen's Association. The International boasted seven million members and was real enough to have a hand in a wave of strikes which swept the Continent and to earn for itself a rather fearsome reputation. But it, too, was doomed to have a brief history. The Interna-

tional did not consist of a tough and disciplined army of Communists, but a motley crew of Owenists, Proudhonists, Fourierists, lukewarm Socialists, rabid nationalists, and trade unionists who were leery of any kind of revolutionary theory whatsoever. With considerable skill Marx kept his crew together for five years, and then the International fell apart; some followed Bakunin, a giant of a man with a true revolutionist's background of Siberia and exile (it was said that his oratory was so moving that his listeners would have cut their throats if he had asked them to), while others turned their attention back to national affairs. The last meeting of the International was held in New York in 1874. It was a lugubrious failure.

But far more important than the creation of the First International was the peculiar tone which Marx injected into working-class affairs. This was the most quarrelsome and intolerant of men, and from the beginning he was unable to believe that anyone who did not follow his line of reasoning could possibly be right. As an economist his language was precise, as a philosopher-historian it was eloquent, as a revolutionary it was scurrilous. He stooped to anti-Semitism. He called his opponents "louts," "rascals," even "bedbugs." Early in his career, when he was still in Brussels, Marx had been visited by a German tailor named Weitling. Weitling was a tried son of the labor movement; he had scars on his legs from the irons of Prussian prisons and a long history of selfless and valiant efforts on behalf of the German workingman. He came to speak to Marx on such things as justice and brotherhood and solidarity; instead he found himself exposed to a merciless cross-examination on the "scientific principles" of socialism. Poor Weitling was confused, his answers were unsatisfactory. Marx, who had been sitting as the chief examiner, began to stride angrily about the room. "Ignorance has never helped anybody yet," he shouted. The audience was over.

Willich was another to be excommunicated. An ex-Prussian captain, he had fought in the German revolution and later was to become an outstanding general on the Union side of the American Civil War. But he clung to the "un-Marxist" idea that "pure will" could be the motive power of revolution instead of "actual conditions"; for this notion—

which Lenin was one day to prove was not so far-fetched after all—he, too, was dropped from the movement.

And the list could be extended endlessly. Perhaps no single incident was more provocative, more prophetic of a movement that was one day to degenerate into an internal witch-hunt for "deviationists" and "counterrevolutionaries" than the feud between Marx and Pierre Proudhon. Proudhon was the son of a French barrelmaker, a self-educated brilliant Socialist who had rocked the French intelligentsia with a book entitled *What Is Property?* Proudhon had answered, Property is Theft, and he had called for an end to huge private riches, although not to all private property. Marx and he had met and talked and corresponded, and then Marx asked him to join forces with himself and Engels. Proudhon's answer is so profoundly moving and so prescient that it is worth quoting at some length:

Let us together seek, if you wish, the laws of society, the manner in which these laws are reached, the process by which we shall succeed in discovering them; but, for God's sake, after having demolished all the *a priori* dogmatisms, do not let us in our turn dream of indoctrinating the people. . . . I applaud with all my heart your thought of inviting all shades of opinion; let us carry on a good and loyal polemic, let us give the world the example of an informed and farsighted tolerance, but let us not—simply because we are at the head of a movement—make ourselves into the leaders of a new intolerance, let us not pose as the apostles of a new religion, even if it be the religion of logic, the religion of reason. Let us gather together and encourage all dissent, let us outlaw all exclusiveness, all mysticism, let us never regard a question as exhausted, and when we have used one last argument, let us if necessary begin again—with eloquence and irony. On these conditions, I will gladly enter into your association. Otherwise, no!

Marx's answer was this: Proudhon had written a book called *The Philosophy of Poverty*; Marx now annihilated it with a rejoinder entitled *The Poverty of Philosophy*.

The pattern of intolerance was never to disappear. The First International would be followed by the mild and well-meaning Second—which included Socialists of such caliber as Bernard Shaw, Ramsay MacDonald, and Pilsudski (as well as Lenin and Mussolini!), and then by the infamous Third, organized under the aegis of Moscow. And yet, the impact of these great movements is perhaps less than the persistence of that narrowness, that infuriating and absolute inability to entertain dissent, which communism has inherited from its single greatest founder.

Had Marx produced nothing more in his long years in exile than a revolutionary labor movement, he would not loom today so important a figure in the world. Marx was only one of a dozen revolutionaries and by no means the most successful; he was only one of at least that many prophets of socialism, and as a matter of fact he wrote next to nothing about what that new society might be like. His final contribution lies elsewhere: in his dialectical materialist theory of history, and even more important, in his pessimistic analysis of the outlook for a capitalist economy.

"The history of capitalism," we read in the Program of the Communist International adopted in 1929—a kind of latter-day restatement of *The Communist Manifesto*—"has completely confirmed the Marxist theory of the laws of development of capitalist society and of its contradictions, leading to the destruction of the entire capitalist system." What were those laws? What was Marx's prognosis for the system that he knew?

The answer lies in that enormous work *Das Kapital* (*Capital*). With Marx's agonizing meticulousness, it is remarkable that the work was ever finished—in a sense it never was. It was eighteen years in process; in 1851 it was to be done "in five weeks"; in 1859 "in six weeks"; in 1865 it was "done"—a huge bundle of virtually illegible manuscripts which took two years to edit into Volume I. When Marx died in 1883 three volumes remained: Engels put out Volume II in 1885 and the third in 1894. The final (fourth) volume did not emerge until 1910.

There are twenty-five hundred pages to read for anyone intrepid enough to make the effort. And what pages! Some deal with the tiniest of technical matters and labor them to a point of mathematical exhaustion; others swirl with passion and anger. This is an economist who has read *every* economist, a German pedant with a passion for dotting i's and crossing t's, and an emotional critic who can write that capital has a "vampire thirst for the living blood of labour," and who tells us that capital came into the world "dripping from head to foot, from every pore, with blood and dirt."

And yet one must not jump to the conclusion that this is merely an irascible text inveighing against the sins of the wicked money barons. It is shot through with remarks that betray the total involvement of the man with his theoretical adversary, but the great merit of the book, curiously enough, is its utter detachment from all considerations of morality. The book describes with fury, but it analyzes with cold logic. For what Marx has set for his goal is to discover the intrinsic tendencies of the capitalist system, its inner laws of motion, and in so doing, he has eschewed the easy but less convincing means of merely expatiating on its manifest shortcomings. Instead he erects the most rigorous, the purest capitalism imaginable, and within this rarefied abstract system, with an imaginary capitalism in which all the obvious defects of real life are removed, he seeks his quarry. For if he can prove that the best of all possible capitalisms is nonetheless headed for disaster, it is certainly easy to demonstrate that real capitalism will follow the same path, only quicker.

And so he sets the stage. We enter a world of perfect capitalism: no monopolies, no unions, no special advantages for anyone. It is a world in which every commodity sells at exactly its proper price. And that proper price is its *value*—a tricky word. For the value of a commodity, says Marx (essentially following Ricardo), is the amount of labor it has within itself. If it takes twice as much labor to make hats as shoes, then hats will sell for twice the price of shoes. The labor, of course, need not be direct manual labor; it may be overhead labor that is spread over many commodities, or it may be the labor that once went into making a machine and that the ma-

chine now slowly passes on to the products it shapes. But no matter what its form, everything is eventually reducible to labor, and all commodities, in this perfect system, will be priced according to the amount of labor, direct or indirect, that they contain.

In this world stand the two great protagonists of the capitalist drama: worker and capitalist—the landlord has by now been relegated to a minor position in society. They are not quite the same protagonists we have met earlier in similar economic tableaux. The worker is no longer the slave to his reproductive urge. He is a free bargaining agent who enters the market to dispose of the one commodity he commands—labor power—and if he gets a rise in wages he will not be so foolish as to squander it in a self-defeating proliferation of his numbers.

The capitalist faces him in the arena. His greed and lust for wealth are caustically described in those chapters that leave the abstract world for a look into 1860 England. But it is worth noting that he is not money hungry from mere motives of rapacity; he is an owner-entrepreneur engaged in an endless race against his fellow owner-entrepreneurs; he *must* strive for accumulation, for in the competitive environment in which he operates, one accumulates or one gets accumulated.

The stage is set and the characters take their places. But now the first difficulty appears. How, asks Marx, can profits exist in such a situation? If everything sells for its exact value, then who gets an unearned increment? No one dares to raise his price above the competitive one, and even if one seller managed to gouge a buyer, that buyer would only have less to spend elsewhere in the economy—one man's profit would thus be another man's loss. How can there be profit *in the whole system* if everything exchanges for its honest worth?

It seems like a paradox. Profits are easy to explain if we assume that there are monopolies that need not obey the leveling influences of competition or if we admit that capitalists may pay labor less than it is worth. But Marx will have none of that—it is to be ideal capitalism which will dig its own grave.

He finds the answer to the dilemma in one commodity that is different from all others. The commodity is labor power. For the laborer, like the capitalist, sells his product for exactly what it is worth—for its value. And its value, like the value of everything else that is sold, is the amount of labor that goes into it—in this case, the amount of labor that it takes to “make” labor-power. In other words, a laborer's salable energies are worth the amount of socially necessary labor it takes to keep that laborer going. Smith and Ricardo would have agreed entirely: the value of a workman is the money he needs in order to exist. It is his subsistence wage.

So far, so good. But here comes the key to profit. The laborer who contracts to work can ask only for a wage that is his due. What that wage will be depends, as we have seen, on the amount of labor-time it takes to keep a man alive. If it takes six hours of society's labor per day to maintain a workingman, then (if labor is priced at one dollar an hour), he is “worth” six dollars a day. No more.

But the laborer who gets a job does not contract to work only six hours a day. That would be just long enough to support himself. On the contrary, he agrees to work a full eight-hour, or in Marx's time, a ten- or eleven-hour day. Hence he will produce a full ten or eleven hours' worth of value and he will get paid for only six. His wage will cover his subsistence, which is his true “value,” but in return he will make available to the capitalist the value he produces in a full working day. And this is how profit enters the system.

Marx called this layer of unpaid work “surplus value.” The words do not imply moral indignation. The worker is entitled only to the *value* of his labor-power. He gets it in full. But meanwhile the capitalist gets the full value of his workers' whole working day, and this is longer than the hours for which he paid. Hence when the capitalist sells his products, he can afford to sell them at *their* true value and still realize a profit. For there is more labor time embodied in his products than the labor time for which he was forced to pay.

How can this state of affairs come about? It happens because the capitalists monopolize one thing—access to the means of production themselves. Under the legal arrange-

ments of private property, capitalists "own" jobs, insofar as they own the machines and equipment without which men and women cannot work. If someone isn't willing to work the number of hours that a capitalist asks, he or she doesn't get a job. Like everyone else in the system, a worker has no right and no power to ask for more than his own worth as a commodity. The system is perfectly "equitable," and yet all workers are cheated, for they are forced to work a longer time than their own self-sustenance demands.

Does this sound strange? Remember that Marx is describing a time when the working day was long—sometimes unendurably long—and when wages were, by and large, little more than it took to keep body and soul together. The idea of surplus value may be hard to grasp in a country where sweatshops are, with some exceptions, a thing of the past, but it was not merely a theoretical construct at the time that Marx was writing. One example may suffice: at a Manchester factory in 1862 the average work week for a period of a month and a half was 84 hours! For the previous 18 months it had been 78½ hours.

But all this is still only the setting for the drama. We have the protagonists, we have their motives, we have the clue to the plot in the discovery of "surplus value." And now the play is set in motion.

All capitalists have profits. But they are all in competition. Hence they try to accumulate, to expand their scales of output, at the expense of their competitors. But expansion is not so easy. It requires more laborers, and to get them the capitalists must bid against one another for the working force. Wages tend to rise. Conversely, surplus value tends to fall. It looks as if the Marxian capitalists will soon be up against the dilemma faced by the capitalists of Adam Smith and David Ricardo—their profits will be eaten away by rising wages.

To Smith and Ricardo the solution to the dilemma lay in the propensity of the working force to increase its numbers with every boost in pay. But Marx, like Mill, rules out this possibility. Marx doesn't argue about it; he simply brands the Malthusian doctrine "a libel on the human race"—after all,

the proletariat, which is to be the ruling class of the future, cannot be so shortsighted as to dissipate its gains through mere unbridled physical appetite. But he rescues his capitalists just the same. For he says that they will meet the threat of rising wages by introducing *laborsaving machinery* into their plants. This will throw part of the working force back onto the street, and there, as an Industrial Reserve Army, it will serve the same function as Smith's and Ricardo's population growth: it will compete wages back down to their former "value"—the subsistence level.

Now comes the crucial twist. It seems as though the capitalist has saved the day, for he has prevented wages from rising by creating unemployment through machinery. But not so fast. By the very process through which he hopes to free himself from one horn of the dilemma, he impales himself on the other.

For as he substitutes machines for men, he simultaneously substitutes nonprofitable means of production for profitable ones. Remember that in Marx's model of an ideal capitalist world, no one makes a profit by merely sharp bargaining. Whatever a machine will be worth to a capitalist, you can be sure that he paid full value for it. If a machine will create ten thousand dollars' worth of value over its whole life, our capitalist was presumably charged the full ten thousand dollars in the first place. It is only from his living labor that he can realize a profit, only from the unpaid-for hours of surplus working time. Hence, when he reduces the number or proportion of workers, he is killing the goose that lays the golden egg.

And yet, unhappy fellow, he has to. There is nothing Mephistophelean about his actions. He is only obeying his impulse to accumulate and trying to stay abreast of his competitors. As his wages rise, he *must* introduce laborsaving machinery to cut his costs and rescue his profits—if he does not, his neighbor will. But since he must substitute machinery for labor, he must also narrow the base out of which he gleans his profits. It is a kind of Greek drama where men go willy-nilly to their fate, and in which they all unwittingly cooperate to bring about their own destruction.

For now the die is cast. As his profits shrink, each capitalist will redouble his efforts to put new laborsaving, cost-cutting machinery in his factory. It is only by getting a step ahead of the parade that he can hope to make a profit. But since everyone is doing precisely the same thing, the ratio of living labor (and hence surplus value) to total output shrinks still further. The rate of profit falls and falls. And now doom lies ahead. Profits are cut to the point at which production is no longer profitable at all. Consumption dwindles as machines displace men and the number of employed fails to keep pace with output. Bankruptcies ensue. There is a scramble to dump goods on the market, and in the process smaller firms go under. A capitalist crisis is at hand.

A crisis does not mean the end of the game. Quite the contrary. As workers are thrown out of work, they are forced to accept subvalue wages. As machinery is dumped, the stronger capitalists can acquire machines for less than their true value. After a time, surplus value reappears. The forward march is taken up again. Thus each crisis serves to renew the capacity of the system to expand. Crisis—or a business slump or recession, in modern terminology—is therefore the way the system *works*, not the way it fails.

But the working is certainly very peculiar. Each renewal leads to the same ending: competition for workers; higher wages; labor-displacing machinery; a smaller base for surplus value; still more frenzied competition; another crisis—*worse than the preceding one*. For during each period of crisis, the bigger firms absorb the smaller ones, and when the industrial monsters eventually go down, the wreckage is far greater than when the little enterprises buckle.

Finally, the drama ends. Marx's picture of it has all the eloquence of a description of a Damnation:

Along with the constantly diminishing number of the magnates of capital, who usurp and monopolize all advantages of this process of transformation, grows the mass of misery, oppression, slavery, degradation, exploitation; but with this too grows the revolt of the working-class, a class always increasing in numbers, and

disciplined, united, organized by the very mechanism of the process of capitalist production itself. . . . Centralization of the means of production and socialization of labour at last reach a point where they become incompatible with their capitalist integument. This integument bursts asunder. The knell of capitalist private property sounds. The expropriators are expropriated.

And so the drama ends in the sequence that Marx had envisioned in the dialectic. The system—the *pure* system—breaks down as it works upon itself to squeeze out its own source of energy, surplus value. The breakdown is hastened by the constant instability that arises from the essentially planless nature of the economy. Although there are forces at work that act to prolong its end, its final death struggle is inescapable.

How sharply all this contrasts with earlier views! For Adam Smith, the capitalist escalator climbed upward, at least as far as the eye could reasonably see. For Ricardo that upward motion was stalled by the pressure of mouths on insufficient crop land, which brought a stalemate to progress and a windfall to the fortunate landlord. For Mill the vista was made more reassuring by his discovery that society could distribute its product as it saw fit, regardless of what “economic laws” seemed to dictate. But for Marx even that saving possibility was untenable. For the materialist view of history told him that the state was only the political ruling organ of the economic rulers. The thought that it might act as a kind of referee, a third force balancing the claims of its conflicting members, would have seemed sheer wishful thinking. No, there was no escape from the inner logic, the dialectical development, of a system that would not only destroy itself but, in so doing, would give birth to its successor.

As to what that successor might look like, Marx had little to say. It would be “classless,” of course—by which Marx meant that the basis for an economic division of society based on property would be removed once society owned all the means of production of goods. Just how society would “own” its factories; what was meant by “society”; whether there

would or could be bitter antagonisms between the managers and the managed, between the political chieftains and the rank and file—none of this did Marx discuss. During a transitional period of “socialism” there would be a “dictatorship of the proletariat”; after that, “pure” communism itself.

Marx, it must be kept in mind, was not the architect of actual socialism. That formidable task would fall to Lenin. *Das Kapital* is the Doomsday Book of capitalism, and in all of Marx there is almost nothing that looks beyond the Day of Judgment to see what the future might be like.

What are we to make of his apocalyptic argument?

There is an easy way of disposing of the whole thing. Remember that the system is built on value—labor value—and that the key to its demise lies in that special phenomenon called surplus value. But the real world consists not of “values” but of real tangible prices. Marx must show that the world of dollars and cents mirrors, in some approximate fashion, the abstract world that he has created. But in making the transition from a value-world to a price-world, he lands in the most terrible tangle of mathematics. In fact he makes a mistake.

It is not an irreparable mistake, and by going through an even worse tangle of mathematics one can make the Marxist equations come out “right.” But the critics who pointed out the error were hardly interested in setting the scheme aright, and their judgment that Marx was “wrong” was taken as final. When the equations were finally rectified, no one paid much attention. For regardless of its mathematical purity, there are problems galore in the Marxian model. Can we really use the concept of surplus value in a world of monopolies or in a setting of scientific technology? Has Marx really disposed of the difficulties of using “labor” as the measuring rod of value?

Questions such as these continue to agitate the world of Marxian scholars and have tempted most non-Marxist economists to toss the whole scheme to one side as awkward and inflexible. But to do so overlooks two extraordinary properties of Marx’s analysis.

First, it was more than just another “model” of economics. Marx literally invented a new task for social inquiry—

the critique of economics itself. A great part of *Capital* is devoted to showing that earlier economists had failed to understand the real challenge of the study they undertook. Take, for example, the problem of value that had exercised Smith and Ricardo. Both of them had sought, with varying degrees of success, to show how prices reflected—or failed to reflect—the amounts of labor-time embodied in different commodities.

But this was not the really perplexing question, Marx pointed out. The perplexing question was how one could speak of “labor” as a common denominator of value when the actual labors of men and women were so different. Ricardo spoke of the hours of labor it took to catch a salmon and to kill a deer as establishing their exchange ratios—that is, their prices. But no deer was ever killed with a fishing rod and no salmon caught by a hunter in the woods. How then could one use “labor” as a common denominator to determine exchange ratios?

The answer, said Marx, is that capitalist society creates a special kind of labor—abstract labor, labor that is detached from the special personal attributes of a precapitalist world, labor that can be bought and sold like so much wheat or coal. Hence the real insight of a “labor theory of value” is not the determination of prices, as Smith and Ricardo thought, *but the identification of a kind of social system in which labor-power becomes a commodity.* That society is capitalism, where historical forces (such as the enclosure movement) have created a propertyless class of workers who have no alternative but to sell their labor-power—their sheer ability to work—as a commodity.

Thus Marx invented a kind of “socio-analysis” that puts economics itself into a wholly new light. And beyond that signal contribution, Marx’s model of capitalism, despite its clumsiness, seemed to come alive, to unfold in an extraordinary manner. Given its basic assumptions—the *mise-en-scène* of its characters, their motives and their milieu—the situation it presented *changed*, and changed in a way that was foreseeable. We have seen what these changes were: how profits fell, how capitalists sought new machinery, how each

boom ended in a crash, how small businesses were absorbed in each debacle by the larger firms. Marx called these trends the "laws of motion" of a capitalist system—the path that capitalism would tread over future time. And the astonishing fact is that so many of these predictions have come true.

For profits *do* tend to fall in a capitalist economy. The insight was not original with Marx, nor do profits fall only for the reason he gave. But as Adam Smith or Ricardo or Mill pointed out—and as any businessman will vouchsafe—the pressures of competition and rising wages do indeed cut profits. Impregnable monopolies aside (and these are few), profits are both the hallmark of capitalism and its Achilles' heel, for no business can *permanently* maintain its prices much above its costs. There is only one way in which profits can be perpetuated: a business—or an entire economy—must grow.

But the need for growth implies the second prediction of the Marxist model: the ceaseless quest for new techniques. It was no accident that industrial capitalism dates from the Industrial Revolution, for as Marx made clear, technological progress is not merely an accompaniment of capitalism but a vital ingredient. Business *must* innovate, invent, and experiment if it is to survive; the business that rests content on its past achievements is not long for this enterprising world. Not untypically, one large chemical company recently announced that some three quarters of its income came from products that were unknown ten years ago; and although this is an exceptionally inventive industry, the relationship between industrial inventiveness and profitability generally holds.

The model showed three more tendencies for capitalism which have also come to pass. We hardly need document the existence of business crises over the past hundred years or the emergence of giant business enterprise. But we might remark on the daring of Marx's predictions. A propensity to crisis—what we would call *business cycles*—was not recognized as an inherent feature of capitalism by any other economist of Marx's time, although future events have certainly vindicated his prediction of successive boom and crash. And in the world of business, when *Capital* appeared, bigness was

the exception rather than the rule, and small enterprise still ruled the roost. To claim that huge firms would come to dominate the business scene was as startling a prediction in 1867 as would be a statement today that fifty years hence America will be a land in which small-scale proprietorships will have displaced giant corporations.

Last, Marx believed that the small independent artisan or self-employed worker would be unable to resist the pressures of mass production, and that an ever larger fraction of the work force would have to sell its labor-power on the market—that is, to become a "proletarian." Has that come true? Well, in the first quarter of the nineteenth century about three-quarters of all Americans worked for themselves, on the farm or in small shops. Today only about 10 percent of the labor force is self-employed. We may not think of an office worker or a bus driver or a bank teller as a proletarian, but in Marx's terms these are all workers who must offer their labor-power to capitalists, unlike the farmer or the shoe cobbler, who own their own means of production.

All in all, the model displayed extraordinary predictive capacity. But note this: all these changes, vast and portentous as they were, could not have been unearthed purely by examining the world as it appeared to Marx's eyes. For there is no single representative figure for his vision—no farsighted labor leader, no hero of the revolution-to-come. Of course there are central players, above all the self-defeating capitalist and the ultimately triumphant worker, but both are pawns in the drama that brings one ultimately to defeat, the other to victory. The representative "figure" in Marx's scenario is not a person but a process. It is the dialectical force of things that is the centerpiece of his vision.

It was not, of course, exact. Marx thought that profits would not only fall *within* the business cycle, which they do, but that they would display a long downward secular trend; this does not appear to have taken place. But for all its shortcomings—and it is far from infallible, as we shall see—the Marxist model of how capitalism worked was extraordinarily prophetic.

But everything that Marx had predicted so far was, after

all, fairly innocuous. There remained the final prediction of the model; for, as the reader will remember, in the end Marx's "pure capitalism" *collapsed*.

Let it be said at the outset that this prediction as well cannot be lightly brushed aside. In Russia and Eastern Europe, capitalism was displaced by socialism; in Germany and Italy it drifted into fascism. And while wars, brute political power, exigencies of fate, and the determined efforts of revolutionaries have all contributed their share, the grim truth is that these changes occurred largely for the very reason Marx foresaw: capitalism broke down.

Why did it break down? Partly because it developed the instability Marx said it would. A succession of worsening business crises, compounded by a plague of wars, destroyed the faith of the lower and middle classes in the system. But that is not the entire answer. European capitalism failed not so much for economic as for *social* reasons—and Marx foresaw this too!

For Marx recognized that the economic difficulties of the system were not insuperable. Although antimonopoly legislation or anti-business-cycle policies were unknown in Marx's day, such activities were not inconceivable: there was nothing inevitable in the *physical* sense about Marx's vision. The Marxist prediction of decay was founded on a conception of capitalism in which it was *politically* impossible for a government to set the system's wrongs aright; ideologically, even emotionally, impossible. The cure for capitalism's failings would require that a government would have to rise above the interests of one class alone—and that was to assume that men could free themselves from the shackles of their immediate economic self-interest. Marx's analysis made that doubtful.

It is just this lack of social flexibility, this bondage to shortsighted interest, that weakened European capitalism—at least until after World War II. For one who has read the works of Marx it is frightening to look back at the grim determination with which so many nations steadfastly hewed to the very course that he insisted would lead to their undoing. It was as if their governments were unconsciously vindicating

Marx's prophecy by obstinately doing exactly what he said they would. When in Russia under the Tsars all democratic trade unionism was ruthlessly stamped out, when in England and Germany monopolies and cartels were officially encouraged, the Marxist dialectic looked balefully prescient indeed. All through the late nineteenth and early twentieth centuries, when one inspected the enormous gulf between rich and poor and saw evidence of the total indifference of the former for the latter, one had the uneasy feeling that the psychological stereotypes that Marx cast in his historical drama were all too truly drawn from life.

Things moved differently in America during those years. We too had our share of reactionaries and revolutionaries. The economic history of the United States contains more than enough exploitation and ugliness. But capitalism here evolved in a land untouched by the dead hand of aristocratic lineage and age-old class attitudes. To some degree this resulted in a harsher social climate in America than in Europe, for we clung to the credo of "rugged individualism" long after the individual had been hopelessly overwhelmed by the environment of massive industrialism, whereas in Europe a traditional noblesse oblige existed side by side with its unconcealed class divisions. Yet out of the American milieu came a certain pragmatism in dealing with power, private as well as public, and a general subscription to the ideals of democracy which steered the body politic safely past the rocks on which it foundered in so many nations abroad.

It is in these capabilities for change that the answer to Marxian analysis lies. Indeed, the more we examine the history of capitalism, especially in recent decades, the more we learn both to respect the penetration of Marx's thought and to recognize its limitations. The *problems* he diagnosed within capitalism are still very much with us, including above all a tendency to economic instability and to the concentration of wealth and power. Yet in different nations we find widely different responses to these problems. Thus, despite much higher unemployment rates than we find in the United States, many European countries provide free universal education (including college), health and pension benefits, and

unemployment relief on scales that put ours to shame. As a result, the proportion of our population living in poverty is three and four times higher than theirs!

The point, in weighing Marx's powerful vision and the analytics that follow from it, is his failure to make allowances for the role of sociopolitical culture—an element he barely mentions. There is a spectrum of views and values on the prerogatives of capital, the centrality of the market, and the respective roles of the private and the public sectors in all nations whose institutions are capitalist—that is, that incorporate these defining beliefs. It is in this spectrum of institutions, behaviors, and attitudes that the successor vision to Marx must be sought.

Yet, shorn of its overtones of inevitable doom, the Marxist analysis cannot be disregarded. It remains the gravest, most penetrating examination the capitalist system has ever undergone. It is not an examination conducted along moral lines with head wagging and tongue clucking over the iniquities of the profit motive—this is the stuff of the Marxist revolutionary but not of the Marxist economist. For all its passion, it is a dispassionate appraisal; and it is for this reason that its somber findings remain pertinent.

Finally, we must remember that Marx was not just a great economist. In his graveside oration, Engels said that “just as Darwin discovered the law of evolution in organic nature, so Marx discovered the law of evolution in human history.” This is certainly too much to claim, but Engels was not wrong in emphasizing the extraordinary importance of Marx's vision of the historic process as an arena in which social classes struggle for supremacy. Marx taught us not just to look at, but to look through, history, just as Freud taught us to look *through* the façade of personality to the psychic processes within us, or as Plato taught us to look through the screen of unexamined ideas to the veiled questions of philosophy.

That is why Marx's name, like those of Freud and Plato, remains contemporary. Marx is certainly not infallible, for all the idol worship to which he has been subjected. He is better thought of as *unavoidable*—a great explorer whose footprints have been indelibly imprinted on the continent of social

thought that he discovered. All who wish to explore that continent further, whether or not they agree with Marx's findings, must pay their respects to the person who first claimed it for mankind.