

The Shape of Things to Come

Book the First
Today and Tomorrow: the Age of Frustration Dawns

4. Early Attempts to Understand and Deal with These Disproportions; The Criticisms of Karl Marx and Henry George

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THERE ARE, however, one or two exceptions to this general absence of diagnosis in the affairs of the nineteenth and twentieth century of the Christian Era, which even the student of general history cannot ignore. Prominent among them is the analysis and forecasts of economic development made by Karl Marx and his associates.

In any case Marxism would have demanded our attention as a curious contemporary realization of the self-destroying elements in the business methods of the nineteenth century; but its accidental selection as the ostensible creed of revolutionary Russia after the Tzarist collapse gives it an almost primary importance in the history of kinetic ideas.

Karl Marx (1818-1883) was the son of a christianized Jewish lawyer of Treves, of considerable social pretensions; he had an excellent university career at Bonn and Berlin, assimilated the radical thought of his time and became the lifelong friend of the far more modest and gifted Friedrich Engels (1820-1895), a Lancashire calico dealer. Under the inspiration of Engels and the English socialist movement of Robert Owen, Marx elaborated the theory of economic development which is the substance of Marxism. It is embodied in a huge unfinished work, *Das Kapital*, and summarized in a *Communist Manifesto* (1848) drawn up by Engels and himself. (These, and indeed all his writings, together with an able digest and summary, are to be found in the *Library of Historical Thought*, vols. 17252- 9.) His chief merit lies in his clear recognition of the ultimate dependence of social and political forms and reactions upon physical necessity. ("The Materialist Conception of History".) His chief fault was

his insane hatred of the middle classes (bourgeoisie), due mainly to his pose as a needy aristocrat and embittered, it may be, by his material and intellectual dependence on the trader Engels. His own attempts to apply his theories by conspiracy and political action were inept and futile. He died in London a disappointed and resentful man, quite unaware of the posthumous fame that awaited his doctrines. It was the organization of his followers into the disciplined Communist Party and the modernization of his doctrines by the genius of Lenin that made his name a cardinal one in history.

It is interesting to consider his general propositions now in the light of accomplished events and note the hits and misses of those heroic speculations—heroic, that is to say, measured by the mental courage of the time.

Nowadays every schoolboy knows that the essential and permanent conflict in life is a conflict between the past and the future, between the accomplished past and the forward effort. He is made to realize this conflict in his primary biological course. Therein he comes to see and in part to understand the continual automatic struggle of the thing achieved, to hold the new, the new-born individual, the new-born idea, the widening needs of the species, in thrall. This conflict he is shown runs through all history. In the old classical mythology Saturn, the Conservative head-god, devoured all his children until at last one escaped to become Jove. And of how Jove bound Prometheus in his turn every lover of Shelley can tell. We need only refer the student to the recorded struggles in the histories of Republican Rome and Judæa between debtor and creditor; to the plebeian Secessions of the former and the year of Jubilee of the latter; to the legend of Joseph in Egypt (so richly interpreted now through the minute study of contemporary Egyptian documents by the students of the Breasted Commemoration Fund); to the English Statute of Mortmain; to Austen Livewright's lucid study of Bankruptcy Through the Ages (1979), to remind him of this perennial struggle of life against the creditor and the dead hand. But Marx, like most of his contemporaries, was profoundly ignorant of historical science, and addicted to a queer "dialectic" devised by the pseudo-philosopher Hegel; his ill-equipped mind apprehended this perennial antagonism only in terms of the finance of the industrial production about him; the entrepreneur, the capitalist, became the villain of his piece, using the prior advantage of his capital to appropriate the "surplus value" of production, so that his share of purchasing power became more and more disproportionately great.

Marx seems never to have distinguished clearly between restrictive and productive possessions, which nowadays we recognize as a difference of

fundamental importance. Exploitation for profit and strangulation for dominance, the radical son and the conservative father, were all one to him. And his proposals for expropriating the profit-seeking “Capitalist” were of the vaguest; he betrayed no conception whatever of the real psychology of economic activities, and he had no sense of the intricate organization of motives needed if the coarse incentive of profit was to be superseded. Indeed, he had no practical capacity at all, and one is not surprised to learn that for his own part he never earned a living. He claimed all the privileges of a prophet and all the laxity and indolence of a genius, and he never even completed his great book.

It was the far abler and finer-minded Lenin (1870-1924, in power in Russia after 1917), rather than Marx, who gave a practical organization to the revolutionary forces of Communism and made the Communist Party for a time, until Stalin overtook it, the most vital creative force in the world. The essential intellectual difference between these two men is explained very clearly by Max Eastman (1895-1980), whose compact and scholarly *Marx and Lenin* is still quite readable by the contemporary student. In his time Lenin had to pose as the disciple and exponent of Marx; it was only later that criticism revealed the subtle brilliance of his effort to wrest a practical commonsense out of the time-worn doctrines of the older prophet.

Another nineteenth-century writer, with perhaps a clearer realization of the strangulating effect of restrictive property as distinguished from the stimulating effect of exploitation, was Henry George (1839-1897), an American printer who rose to great popularity as a writer upon economic questions. He saw the life of mankind limited and dwarfed by the continual rise in rents. His naïve remedy was to tax the landowner, as Marx’s naïve remedy was to expropriate the capitalist, and just as Marx never gave his disciples the ghost of an idea for a competent administration of the expropriated economic plant and resources of the world, so Henry George never indicated how, in the world of implacable individualism he advocated, the taxing authority was to find a use for its ever-increasing tax receipts.

We can smile to-day at the limitations of these early pioneers. But we smile only because we live later than they did, and are two centuries and more to the good in our experience. We owe them enormous gratitude for the valiant disinterestedness of their life work.

Our debt is on the whole rather for what they got rid of than for what they did. The broad outlines of the world’s economic life are fairly simple as we see them frankly exposed to-day, but these men were born into an atmosphere of uncriticized usage, secrecy, time-honoured

misconceptions, fetishisms, working fictions—which often worked very badly—and almost insane suppressions of thought and statement. The very terms they were obliged to use were question-begging terms; the habitual assumptions of the world they addressed were crooked and only to be apprehended with obliquity and inconsistency. They were forcing their minds towards the expression of reality through an intricate mental and moral tangle. They destroyed the current assumption of permanence in established institutions and usages, and though that seems a small thing to us now, it was a profoundly important release at the time. The infantile habit of assuming the fixity of the Thing that Is was almost universal in their day.

The Marxist doctrines did at least indicate that a term was necessarily set to economic development through profit-seeking, by the concentration of controlling ownership, by the progressive relative impoverishment of larger and larger sections of the world population and by the consequent final dwindling of markets. The rapid coagulation of human activities after 1928 C.E. was widely recognized as a confirmation of the Marxian forecast, and by one of those rapid mental leaps characteristic of the time, as a complete endorsement of the Communist pretension to have solved the social problem.

Unembarrassed as we are now by the mental clutter of our forefathers, the fundamental processes at work during the distressful years of the third and fourth decade of the century appear fairly simple. We know that it is a permanent condition of human well-being that the general level of prices should never fall, and we have in the Currency Council a fairly efficient and steadily improving world-organ to ensure that end. A dollar, as we know it to-day, means practically the same thing in goods, necessities and satisfactions from one year's end to another. Its diminution in value is infinitesimal. No increase is ever allowed to occur. For the owner of an unspent dollar there is neither un-earned increment nor unmerited loss. As the productive energy of our species rises, the dollar value of the total wealth is arranged to increase steadily in proportion, and neither is the creditor enriched nor robbed of his substantial expectation nor the debtor confronted with payments beyond his powers.

There remains no way now of becoming passively wealthy. Gambling was ruthlessly eradicated under the Air Dictatorship and has never returned. Usury ranks with forgery as a monetary offence. Money is given to people to get what they want and not as a basis for further acquisition, and we realize that the gambling spirit is a problem for the educationist and mental expert. It implies a fundamental misunderstanding of life. We have neither speculators, shareholders,

private usurers or rent lords. All these “independent” types have vanished from the earth. Land and its natural resources are now owned and administered either directly or by delegation, by a hierarchy of administrative boards representing our whole species; there are lease-holding cultivators and exploiting corporations with no right to sublet, but there is no such thing as a permanent private ownership of natural resources making an automatic profit by the increment of rent. And since there is, and probably always will be now, a continual advance in our average individual productive efficiency by which the whole community profits, there follows a continual extension of our collective enterprises, a progressive release of leisure and a secular raising of the standard of individual life, to compensate for what would otherwise be a progressive diminution in the number of brains and hands needed to carry on the work of the world. Human society, so long as productive efficiency increases, is *obliged* to raise its standards of consumption and extend its activities year by year, or collapse. And if its advance does not go on it will drop into routine, boredom, viciousness and decay. Steadfastly the quantity and variety of things *must* increase.

These imperative conditions, which constitute the A B C of the existing order, seem so obvious to-day, that it is with difficulty we put ourselves in the place of these twentieth century folk to whom they were strange and novel. They were not yet humanized en masse; they still had the mentality of the “struggle for existence”. It is only by a considerable mental effort, and after a careful study of the gradual evolution of the civilized mentality out of the chaotic impulses and competition of an originally very unsocial animal, that we can even begin to see matters with the eyes of our predecessors of a century and a half ago.