

A Talk With New Students

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Approach to the study of History and Economics. Their relationship and functions. Factors bearing upon the studies. Importance of the studies, their application and essential usefulness to workers.

HISTORY and economics, as studies are inseparably related to each other because, if history may be said to be a record of man's past experiences, a record of what men have thought and done, the science of economics deals with the conditions of economic existence which underlie and determine the scope and method of men's thoughts and actions. In their broad cultural aspect those studies should cultivate a scientific habit of mind, history in particular inculcating a sense of proportion, and thus increasing our powers of judgement, through the study of racial experiences. Experience is a necessary factor in all skilful activity; otherwise we should remain forever novices in all the arts of life, those of industry as equally those of politics or the strictly cultural. Specifically, these studies should be brought into relation with the conditions within the current social situation. What follows is in the nature of discussion of that specific purpose.

To commence with, economics and history may be defined briefly as follows: Economics, is the science which deals with the laws governing the production of wealth and of its distribution among the respective classes in society. A study of history looks to the discovery of the laws of social development; as a record of man's past experiences history enables us to add past to present experiences, and thus to form new syntheses of thought and action.

It has been charged against orthodox economists that their treatment of economic phenomena has resulted in a science that bears little or no resemblance to the realities of the world of actual experience: that as a help to understanding social problems it was practically worthless, whatever might be its due as a somewhat tedious mental discipline, or as a body of business maxims useful in the quest of profits. Hence, no doubt, the bad name of economics as "the dismal science." The science has, it seems, mainly concerned itself with the classification of economic phenomena, looking to "states of equilibrium" or "normality" towards which all things in their movement are supposed to tend. Hence its economic laws, as traditionally conceived, "are laws governing the accomplishment of an end—that is to say, laws as to how a sequence of cause and effect come to rest in a final term." Orthodox economics is thus, it is claimed, a science of statics rather than a true evolutionary science looking to a continuous process, a science which should explain phenomena in terms of an unremitting process of consecutive change in which the sequence of cause and effect are cumulative. Other apparatus of exposition characteristically used by orthodox economists have been "conjectural" history as a substitute for a true genetic account of economic phenomena as, for instance, on the origin of capital; an "economic man," a pure individualist who, coldly calculating, balanced present pain of abstinence against the advantages of future pleasure to come from an increase to his savings loaned to a needy, generally a thriftless, producer. Thus, the critics.

We shall, however, claim an exception to those strictures on the method of the orthodox economists in behalf of Marxian economics. Marx's treatment of economic phenomena lends itself easily to an explanation of social affairs. In regard to the study of history, we should guard ourselves against falling into the easy habit of reading history merely to gratify either curiosity or a sentimental interest in the past. As well as may be, we are to strive, in

both our studies, to make causal connection between the responses of man in thought and action at whatever period in history and the conditions of his social environment, industrial, economic and political.

The Marxian system of economics is especially helpful to the student of social problems, especially helpful to the understanding of those that bear most heavily on the working class; because the profit feature and the process of labor exploitation, the most characteristic features in the economy of capitalist production and most far reaching in their effects on social life are the main concern of Marx. An enumeration of a few of the matters discussed by Marx may in degree indicate how "close up" his science is to working class experiences:—

Origin and nature of Capital; Primitive accumulation of capital in so far as it is not due to the transformation of slaves and serfs into wage-workers is due to the dissolution of private property based on the labor of its owner; source of modern capital since, due to exploitation of propertyless (in the means of production) wage laborers; process of exploitation explained in Marx's theory of surplus value; dependence of wage-laborers on capital; causes of periodic industrial crises described; unemployment; part-time employment, effect on wages, low standard of living, poverty—effect on population mentally, morally and physically; control over all industrial and economic processes exercised in the interest of capital investments; rate and volume of industrial output regulated by business needs of a profitable price; social knowledge of ways and means and capacity for producing goods and services of unknown dimensions, but exceeds what is possible under the limits imposed by the needs of capital for a profitable price, perhaps by a thousand times; over population, or "population encroaching on the means of subsistence" has reference to the limits imposed on production by the needs of capital, but has no meaning in relation to social capacity for producing goods and services; wages, their nature discussed; competition as a principle in social life; commodity nature of labor power when sold on the labor market; rent, interest and industrial profit as component parts of surplus values accrue to capitalist class by virtue of "right" of ownership; knowledge of the industrial arts (technology) as of all the other arts of life, in large part inherited from the past and is carried by society as a whole, chiefly by the productive portion of it; is a social product; yet the advantages of an advance in the state of the industrial arts accrue to the owners of the means of production; on the other hand, such advances make the workers more and more dependent on capital and lower their economic and social status in relation to that of the owners of large capital.

While studying the impersonal facts of the social environment, we should not forget Socrates' admonitory "Man, know thyself." The human element in the complex of things postulated by the orthodox economists, as has been said, was an "economic man," a wholly rational creature whose conduct in reaction to his economic environment was based on lightning calculations in pleasure-pain equations. A science of economics based on such a conception of human psychology can lend but little aid to an understanding of man's responses to the conditions of his environment: Man, in fact, is fundamentally a many-sided, composite creature of unlearned and unchanging instinctive tendencies to action, which, functioning as his egoistic and herd interests, have had and have now a survival value in the struggle for existence. It is they that make anything worth while that is to be done; determining the ends of activity, they are the initiators of action and supply the driving power. Built upon this groundwork of non-rational instincts, emotions and desires, the rational faculties are relatively superficial, biologically of later development. This would imply, as the psychologists assert, that man is not primarily a rational animal, but is a rationalizing animal.

The weakness of the old psychology was that it laid too much emphasis on the intellectual faculties

as factors in man's responses. Let the reader ask himself, however, how much of the apathy among the masses of the people on social affairs at present may be due to purely rational considerations; or, on the other hand, how much of it may be due to fear, that great inhibitor of action? Sensible of the precarious state of social affairs and ignorant of causes and a solution, daunted by the complexity and stupendous nature of the problem, may not fear, a moral cowardice, paralyse in some degree both the mental and physical activity required to meet the situation? In the immediate affairs of our lives also fear haunts both the employed and the unemployed, the one that they may lose and the other that they may not find employment.

Again, what of the fear of being thought orthodox? Man is a herd animal, gregarious, and in the main conforms willingly to the herd law, its conventional moralities, norms and standards. When, through individual interests or intellectual conviction, or through loyalty to the interests and standards of a partial herd within the larger he departs from the herd law, he does so with timidity as a rule and with many a backward look, fearful of the disapprobation of the herd falling upon him, maybe in drastic ways. Add to the natural instinctive pull and influence of the herd the situation in a pecuniary society where social prestige is based on success in acquiring wealth: where the possessor of wealth draws the same easy, natural, spontaneous homage to a believed superior worth as did military prowess in feudal times, or as intellectual power received from the scholars who conversed with Socrates, or moral power from those who, denouncing the things of this world put off from them worldly wealth, and followed the "Man of Sorrows." In effect, then, the wealthy, the successful accumulators of wealth are honored in our social life as the natural leaders of the herd by all of its members whom habituation to the ways of life and thought of such a pecuniary society has led to feel that way, which is almost all its members. It is the moralities that conserve the interests of this wealthy class, their standards, tastes and preferences that dominate the schools "and echo thence from press and pulpit, bench and rostrum into the streets of life," thus reinforcing the herd compulsions towards conformity.

What of that non-rational humility that is prevalent among the producing class, due to inferiority of pecuniary status? Does it exist in such intensity as to be such a psychological "fixation" as an inferiority obsession? Always there is insidious propaganda carried on to create that feeling, to break down our pride and self-respect in the interest of the parasite ruling class. The latest fad in this direction is the pseudo-scientific chattering about the prevalence of morons or undeveloped mentalities in the population. Responsible scientists, however, are beginning to discredit the purely arbitrary tests used and the interpretations put upon the data so obtained. (See "Survey" for Oct.)

There is also the matter of interest in religions of various kinds. How much of that interest is a compensatory interest, a substitute interest for other interests frustrated of normal expression? Is not religion to many people a substitute activity? Are not its emotional "states" of religious experience and ecstatic exercises, its easy, thoughtless babble of milleniums here or hereafter, all modes of escape from an alien and unfriendly world of complex social problems that involve a strain of perplexity and thinking?

A study of humanity and its behavior in face of the conditions of its social environment will show the social problem, as the psychologists contend, to be one of maladjustment between a fixed human nature and the economic conditions and institutions in-

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