

# Marx in Social Theory

## A CRITICAL REVIEW—No. 3

There is no system of economic theory more logical than that of Marx. No member of the system, no single article of doctrine, is fairly to be understood, criticised or defended except as an articulate member of the whole and in the light of the preconceptions and postulates which afford the point of departure and the controlling norm of the whole. As regards these preconceptions and postulates, Marx draws on two distinct lines of antecedents,—the Materialistic Hegelianism and the English system of Natural Rights. By his earlier training he is an adept in the Hegelian method of speculation and inoculated with the metaphysics of development underlying the Hegelian system. By his later training he is an expert in the system of Natural Rights and Natural Liberty, ingrained in his ideals of life and held inviolate throughout. He does not take a critical attitude toward the underlying principles of Natural Rights. Even his Hegelian preconceptions of development never carry him the length of questioning the fundamental principle of that system. He is only the more ruthlessly consistent in working out their content than his natural-rights antagonists in the liberal-classical school. His polemics run against the specific tenets of the liberal school, but they run wholly on the ground afforded by the premises of that school. The ideals of his propaganda are natural-rights ideals, but his theory of the working out of these ideals in the course of history rests on the Hegelian metaphysics of development, and his method of speculation and construction of theory is given by the Hegelian dialectic. (Veblen).

IN the last issue and to some degree in the previous one, I essayed a description of the Hegelian dialectical conception of the mechanics of the evolutionary process. That conception is Marx's point of departure for his survey of the domain of unfolding human culture (material and immaterial) by means of his Materialistic Conception of history. According to the dialectical conception in the hands of Marx

"The goal of the life-history of the race in a large way controls the course of that life-history in all its phases, including the phase of capitalism. This goal or end, which controls the process of human development, is the complete realization of life in all its fullness, and the realization is to be reached by a process analogous to the three-phase dialectic, of thesis, anti-thesis, and synthesis, into which scheme the capitalist system, with its overflowing measure of misery and degradation, fits as the last and most dreadful phase-struggle of the Marxian system and the evil, (antithetical element) in life is to Marx a logically necessary evil, as the antithesis is a necessary phase of the dialectic; and it is a means to the (socialistic) consummation, as the antithesis is a means to the synthesis." (Veblen).

Let us now look to the English classical school of economists, who were subscribers to and elaborators of the system of "natural rights," from which system, Veblen says, Marx derived certain of its preconceptions and ideals of liberty. I may also remind the reader, so far as Marx's debt in economic theory to the classical school is concerned, that he himself, in the "Critique of Political Economy," traced his labor-theory of value to Ricardo (1772-1823) and through him to Adam Smith (1723-1790), the reputed father of that school.

The English classical school of political economy was a part of a wider movement of political liberalism rising at the high tide of the 18th century characterized by a then new tendency in philosophic speculation in moral and legal theory and social, political and economic doctrine. The new tendency developing, it later became known as the liberal-utilitarian movement. In its field of endeavor, it was the ideological expression of the new developing order of industrialism, as against the old order of a feudal and agricultural economy whose predominance as an interest was passing in the nation. Adam Smith, Jeremy Bentham, its philosopher, James Mill, John Stuart Mill, father and son, are some of the famous names associated with the history of the movement. It is the preconceptions and postulates of this classical school, its point of view with which it went to its scientific work which, for our purpose of understanding Marx, we are now chiefly interested in. But first, what is a point of view?

"What is spoken of as a point of view is always a composite affair: some sort of a rounded and balanced system

of principles and standards, which are taken for granted, at least provisionally, and which serve as a base of reference and legitimation in all questions of deliberate opinion. So when any given usage or line of conduct or belief is seen and approved from the modern point of view, it comes to the same as saying that these things are seen and accepted in the light of those principles which modern men habitually consider to be final and sufficient. They are principles of right, equity, propriety, duty, perhaps of knowledge, belief, and taste. . . . Evidently these principles, which so are made to serve as standards of validity in law and custom, knowledge and belief, are of the nature of canons, established rules, and have the authority of precedent and prescription. They have been defined by the attrition of use and wont and disputation, and they are accepted in a somewhat deliberate manner by common consent, and are upheld by a deliberate public opinion as to what is right and seemly. In the popular apprehension, and indeed in the apprehension of the trained jurists and scholars for the time being, these constituent principles of the accepted point of view are 'fundamentally and eternally right and good.' But this perpetuity with which they are so habitually invested in the popular apprehension, in their time, is evidently such a qualified perpetuity only as belongs to any settled outgrowth of use and wont. They are of an institutional character and they are endowed with that degree of perpetuity only that belongs to any institution. So soon as a marked change of circumstances comes on,—a change of a sufficiently profound, enduring and comprehensive character, such as persistently to cross or to go beyond those lines of use and wont out of which these settled principles have emerged,—then these principles and their standards of validity and finality must presently undergo a revision, such as to bring on a new balance of principles, embodying the habits of thought enforced by a new situation, and expressing itself in a revised scheme of authoritative use and wont, law and custom. In the transition from the medieval to the modern point of view, e.g., there is to be seen such a pervasive change in men's habitual outlook, answering to the compulsion of a new range of circumstances which came to condition the daily life of the peoples of Christendom." (Veblen).

The scientific point of view of the classical school was a composite of two main canons of truth, specifically, what is termed the "Hedonist" tenets, and a conception of an "order of nature" permeated with spirituality. The Hedonistic principles were drawn on psychological lines, of a conceived nature of man, taken collectively and individually, and of the motives supposed to control human conduct. The primary general principle was that the greatest happiness of the greatest number was the chief purpose and end of human association. At the same time, the Hedonistic conception of the psychology of the individual was that self-interest is the ruling principle in man's conduct, but that if each individual was allowed his "natural" right to an unimpeded sphere for the exercise of his economic activity, this activity would work out, even though unintended by him, in consequences beneficial to the community at large. Upon this reasoning the system of "natural rights" was based. In general terms, the economic theorists worked with the assumption that self-interest moved the individual along the line of avoiding pain and gaining pleasure. In prospective economic activity a balancing of gains in terms of pleasure as against pain-cost, and its calculated results, guides the laborer, or the capitalist. Pain-cost is in terms of the irksomeness of "labor" for the laborer, incurred when the pleasure of idleness is deferred, I presume, and "abstinence" for the capitalist, who thus defers present pleasure of spending his whole income, all in order that an increment of pleasure over pain-cost may accrue in the future. Thus the famous "economic man" of the history of economic theory. I quote Veblen again on the classical school.

"Seen through modern eyes and without effort to turn past gains to modern account, the metaphysical or pre-conceptual furniture of political economy as it stood about the middle of this-century (the 19th) may come to look quite curious. The two main canons of truth on which the science proceeded, and with which the enquiry is here concerned, were: (a) a hedonistic-associational psychology, and (b) an uncritical conviction that there is a meliorative trend in the course of events, apart from the

conscious ends of the individual members of the community. This axiom of a meliorative developmental trend, into shape as a belief in an organic or quasi-organic (biological) life process on the part of the economic community or of the nation; and this belief carried with it something of a constraining sense of self-realizing cycles of growth, maturity and decay in the life-history of nations or communities.

"Neglecting what may for the immediate purpose be negligible in this outline of fundamental tenets, I will bear the following construction. (a) One the ground of the hedonist or associational psychology, all spiritual continuity and any consequent teleological trend is thereby denied so far as regards individual conduct, where the later psychology, and the sciences which build on the later psychology, insist upon and find such a teleological trend at every turn. (b) Such a spiritual or quasi-spiritual continuity and teleological trend is uncritically affirmed as regards the non-human sequence or the sequence of events in the affairs of collective life, where the modern sciences diligently assert that nothing of the kind is discernible, or that, if it is discernible, its recognition is beside the point, so far as concerns the purpose of the science."

Which it to say, I take it, that the later science says man alone is endowed with purpose, and whatever trend of things and events, whatever continuity and direction of trend there be, to a socialist order of life shall we say, is to be traced solely to the consequences, whether intended by them or not, of the actions and conduct of men, considered as responses to the stimulus of the brute, impersonal forces of the environment. Marx's constitution, his nature, and his attitude at the moment of impact in great part decides what will serve as stimulus, as well as what the manner and direction of his response will be.

To still further illustrate the shift of pre-conceptual ground on that matter of the later post Darwinian science on the character of the forces in the process, from that of the early modern science, let me throw into high light of contrast Adam Smith's point of view:

"In his view (Smith) Nature has made provision for social well-being by the principle of the human association which prompts every man to better his condition: the individual aims only at his private gain, but is led by an invisible hand to promote the public good; human institutions, by interfering with this principle in the name of the public interest, defeat their own end; but when all systems of preference or restraint are taken away, the obvious and simple system of natural liberty establishes itself of its own accord."—(Ency. Britt.)

It is obvious from that reasoning that Smith imputed governing and directive power and purpose to a principle or law of nature, while practically denying to man any power to effect the trend of the process. A greater "will" than man's was working out the process for the good of man, his business was to find out what Nature "willed," by knowing her principles and laws of life and to conduct his personal, communal and national affairs in accordance with her will. Such reasoning again, as we saw in Hegelian cosmology, exhibits the persistence of that old animistic propensity of man to impute personality and will to things and forces of the environment outside himself; he "knows" of them by first hand knowledge of the facts of his own personality; he in fact, projects his own personality into them, sometimes in such fashion as he feels how he would like them to be. So, an Almighty Heavenly Father, with

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