

The Decay of Business Enterprise

BY THORSTEIN VEBLEN.

(Continued from last issue)

THE barbarian virtues of fealty and patriotism run on national or dynastic exploit and aggrandizement, and these archaic virtues are not dead. In those modern communities whose hearts beat with the pulsations of the world-market they find expression in an enthusiasm for the commercial aggrandizement of the nation's business men. But when once the policy of warlike enterprise has been entered upon for business ends, these loyal affections gradually shift from the business interests to the warlike and dynastic interests, as witness the history of imperialism in Germany and England. The eventual outcome should be a rehabilitation of the ancient patriotic animosity and dynastic loyalty, to the relative neglect of business interests. This may easily be carried so far as to sacrifice the profits of the business men to the exigencies of the higher politics.

The disciplinary effect of war and armaments and imperialist politics is complicated with a selective effect. War not only affords a salutary training, but it also acts to eliminate certain elements of the population. The work of campaigning and military tenure, such as is carried on by England, America, or the other civilizing powers, lies, in large part, in the low latitudes, where the European races do not find a favorable habitat. The low latitudes are particularly unwholesome for that dolicho-blond racial stock that seems to be the chief bearer of the machine industry. It results that the viability and the natural increase of the soldiery is perceptibly lowered. The service in the low latitudes, as contrasted with Europe, for instance, is an extra-hazardous occupation. The death rate, indeed, exceeds the birth rate. But in the more advanced industrial communities, of which the English and American are typical, the service is a volunteer service; which means that those who go to the wars seek this employment by their own choice. That is to say, the human material so drawn off is automatically selected on the basis of a peculiar spiritual fitness for this predatory employment; they are, on the whole, of a more malevolent and vagabond temper, have more of the ancient barbarian animus, than those who are left at home to carry on the work of the home community and propagate the home population. And since the troops and ships are officered by the younger sons of the conservative leisure class and by the buccaneering scions of the class of professional

politicians, a natural selection of the same character takes effect also as regards the officers. There results a gradual selective elimination of that old-fashioned element of the population that is by temperament best suited for the old-fashioned institutional system of status and servile organization.

This selective elimination of conservative elements would in the long run leave each succeeding generation of the community less predatory and less emulative in temper, less well endowed for carrying on its life under the servile institutions proper to a militant regime. But, for the present and the nearer future, there can be little doubt but that this selective shaping of the community's animus is greatly outweighed by the contrary trend given by the discipline of warlike preoccupations. What helps to keep the balance in favor of the reversional trend is the cultural leaven carried back into the home community by the veterans. These presumptive past masters in the archaic virtues keep themselves well in the public eye and serve as exemplars to the impressionable members of the community, particularly to the less mature.

The net outcome of the latter-day return to warlike enterprise is, no doubt, securely to be rated as fostering a reversion to national ideals of servile status and to institutions of a despotic character. On the whole and for the present, it makes for conservatism, ultimately for revision.

The quest of profits leads to a predatory national policy. The resulting large fortunes call for a massive government apparatus to secure the accumulations, on the one hand, and for large and conspicuous opportunities to spend the resulting income, on the other hand; which means a militant, coercive home administration and something in the way of an imperial court life—a dynastic fountain of honour and a courtly bureau of ceremonial amenities. Such an ideal is not simply a moralist's day-dream; it is a sound business proposition, in that it lies on the line of policy along which the business interests are moving in their own behalf. If national (that is to say dynastic) ambitions and warlike aims, achievements, spectacles, and discipline be given a large place in the community's life, together with the concomitant coercive police surveillance, then there is a fair hope that the disintegrating trend of the machine discipline may be corrected. The regime of status, fealty, prerogative, and arbitrary command would guide the institutional growth back into the archaic

conventional ways and give the cultural structure something of that secure dignity and stability which it had before the times, not only of socialistic vapors, but of natural rights as well. Then, too, the rest of the spiritual furniture of the ancient regime shall presumably be reinstated; materialistic scepticism may yield the ground to a romantic philosophy, and the populace and the scientists alike may regain something of that devoutness and faith in preternatural agencies which they have recently been losing. As the discipline of prowess again comes to its own, conviction and contentment with whatever is authentic may return to distracted Christendom, and may once more give something of a sacramental serenity to men's outlook on the present and the future.

But authenticity and sacramental dignity belong neither with the machine technology, nor with modern science, nor with business traffic. In so far as the aggressive politics and the aristocratic ideals currently furthered by the business community are worked out freely, their logical outcome is an abatement of those cultural features that distinguish modern times from what went before, including a decline of business enterprise itself.

How imminent such a consummation is to be accounted is a question of how far the unbusinesslike and unscientific discipline brought in by aggressive politics may be expected to prevail over the discipline of the machine industry. It is difficult to believe that the machine technology and the pursuit of the material sciences will be definitely superseded, for the reason, among others, that any community which loses these elements of its culture thereby loses that brute material force that gives it strength against its rivals. And it is equally difficult to imagine how any one of the communities of Christendom can avoid entering the funnel of business and dynastic politics, and so running through the process whereby the materialistic animus is eliminated. Which of the two antagonistic factors may prove the stronger in the long run is something of a blind guess; but the calculable future seems to belong to the one or the other. It seems possible to say this much, that the full dominion of business enterprise is necessarily a transitory dominion. It stands to lose in the end whether the one or the other of the two divergent cultural tendencies wins, because it is incompatible with the ascendancy of either.

(The End.)

ASPECTS OF SOCIAL CHANGE.

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per to be greatly swayed by desire from the line of objective truth. But how about the Party? It seems to me that the original message of Marx and the tradition of his practice has degenerated in transit through successive generations by a straining through the sieve of lesser minds.

I have been expressing my discontent, it seems, for a couple of years in the Clarion. But I have attempted to be constructive in my criticism, casting nothing down without setting up that which I considered superior. Where I have taken issue with a fatalistic theory of determination by material forces in which men were mere drifters on the tides of change, I have sought to express a fighting philosophy in which men count for something in the complex of things: Where I have decried dependence on impulse and the desperation of belly hunger as the hope of victory in the social revolution, I have tried to point out the unfavorable nature of a modern community for the success of violent methods and expressed my faith in a growing intelligence of a strong and virile working class and the superiority of non-violent means. If I have argued against revolutionary socialist Parties standing in opposition to labor political reform Parties of principle, I have also held it to be their duty to the working class to

maintain their identity as "impossibilists" specializing on the ultimate ideal of Socialism, but realizing that like all ideals its realization is one of working it out by the masses through their mass organization. I have argued that any social group or class becoming conscious of common interests will begin the creation of its institutions as instrumentalities for furthering its interests and that practice in using its institutions is indispensable to the development of its group or class consciousness and its progress and well-being generally. The function of revolutionary Parties is not to destroy those mass organizations of the workers but to act as a special environment of education and criticism from the revolutionary standpoint along with the complex of forces making for socialism. If I have tried to show that there is a social drift towards a new order of social life, as Marx contended, that the tides of change are flowing in a myriad ways other than by political means I do so that we may wage the political struggle with all the more faith and courage, knowing that. If I argue for revolutionaries to influence the future by advocating non-violent methods of change, I do not throw down the class-struggle but only desire it to be waged in ways that are feasible in modern communities. Among the particular issues I have raised on Party positions and attitudes, three are principal:

1. The Anti-Labor Party position.
2. The Anti-reform, and
3. The Party's lack of a whole-hearted support of constitutional and non-violent methods of change as against the methods of violence.

No. 1. I contend is distinctly not Marxian.

No. 2. I contend is not Marxian. Marx justified the struggle for revolutionary reforms in his day to the extent of commending the communists and workers for helping the petty bourgeois of Germany, for instance, in their struggles with the old order.

No. 3. I have quoted Marx's favorable opinion in another issue, as to the revolutionary possibilities of constitutional methods, but it is not the opinion of a man of half a century ago I rely on, it is the social situation in modern communities that influences myself in favor of non-violent methods. I have other reasons also which I may put forward later.

Next issue I propose to reply to Comrade MacDonald's article of last issue, "Was Marx a Reformer?" He challenges my contention that the Party is Anti-Reform and asks for the evidence in Party literature, etc. Let him meanwhile read the last paragraph under heading "Politics" in the Party Manifesto.