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Economists of the past in the case of labor-saving devices. These may affect the interests of labor favorably or adversely, but nobody doubts that on the whole they are favorable to an expansion of output. And this is—barring possible disturbances in the saving-investment process which is the fashion to exaggerate—no different in the case of devices that economize outlay on capital goods per unit of the final product. In fact, it is not far from the truth to say that almost any new process that is economically workable economizes both labor and capital. Railroads were presumably capital-saving as compared with the outlay that transportation by mailcoach or cart, of the same numbers of passengers and of the same quantities of goods that actually are being transported by railroads now would have involved. Similarly silk production by mulberry trees and silkworms may be more capital-consuming—I don't know—than the production of an equivalent amount of rayon fabric would be. That may be very sad for the owners of capital already sunk in the former. But it need not even mean decrease of investment opportunity. It certainly does not necessarily mean decrease in the expansion of output. Those who hope to see capitalism break down solely by virtue of the fact that the unit of capital goes further in productive effect than it used to, may have to wait long indeed.

5. Finally, since the subject is usually dealt with by economists who aim at impressing upon the public the necessity of governmental deficit spending, another point never fails to turn up, viz., that such opportunities for investment as remain are more suited for public than for private enterprise. This is true to some extent. First, with increasing wealth certain lines of expenditure are likely to gain ground which do not naturally enter into any cost-profit calculation, such as expenditure on the beautification of cities, on public health and so on. Second, an ever-widening sector of industrial activity tends to enter the sphere of public management, such as means of communication, docks, power production, insurance and so on, simply because these industries become increasingly amenable to the methods of public administration. National and municipal investment could thus be expected to expand, absolutely and relatively, even in a thoroughly capitalist society, just as other forms of public planning would. But that is all. In order to recognize it we need not make any hypothesis about the course of things in the private sector of industrial activity. Moreover, for the purpose in hand it is immaterial whether in the future investment and the incident expansion of output will to a greater or a lesser extent be financed and managed by public rather than by private agencies unless it be held in addition that public financing will impose itself because private business would not be able to face the deficits to be expected in the future from any investment. This however has been dealt with before.

CHAPTER XI

THE CIVILIZATION OF CAPITALISM

Leaving the precincts of purely economic considerations, we now turn to the cultural complement of the capitalist economy—to its socio-psychological superstructure, if we wish to speak the Marxian language—and to the mentality that is characteristic of capitalist society and in particular of the bourgeoisie. In desperate brevity, the salient facts may be conveyed as follows.

Fifty thousand years ago man confronted the dangers and opportunities of his environment in a way which some "prehistorians," sociologists and ethnologists agree was roughly equivalent to the attitude of modern primitives. Two elements of this attitude are particularly important for us: the "collective" and "affective" nature of the primitive mental process and, partly overlapping, the role of what, not quite correctly, I shall here call magic. By the first I designate the fact that in small and undifferentiated or not much differentiated social groups collective ideas impose themselves much more stringently on the individual mind than they do in big and complex groups; and that conclusions and decisions are arrived at by methods which for our purpose may be characterized by a negative criterion: the disregard of what we call logic and, in particular, of the rule that excludes contradiction. By the second I designate the use of a set of beliefs which are not indeed completely divorced from experience—no magic device can survive an unbroken sequence of failures—but which insert, into the sequence of observed phenomena, entities or influences derived from non-empirical sources. The similarity of this type of mental

1 Research of this type goes far back. But I believe that a new stage of it ought to be dated from the works of Lucien Lévy-Bruhl. See in particular his Fonctions mentales dans les sociétés inférieures (1908) and La signification et la nature dans la mentalité primitive (1911). There is a long way between the position held in the first and the position held in the second work, the milestone of which are discernible in Mentalité primitive (1905) and L'espace primitive (1911). For us, Lévy-Bruhl is a particularly useful authority because he fully shares our thesis—in fact his work starts from it—that the "executive" functions of thinking and the mental structure of man are determined, partly at least, by the structure of the society within which they develop. It is immaterial that, with Lévy-Bruhl, this principle holds not from Marx but from Comte.

2 A friendly critic of the above passage expostulated with me on the ground that I could not possibly mean what it says because in that case I should have to call the physicist's "force" a magic device. That is precisely what I do mean, unless it is agreed that the term Force is merely a name for a constant times the second time derivative of displacement. See the next but one sentence in the text.
process with the mental processes of neurotics has been pointed out by G. Dromard (1911; his term, *délire d'interprétation*, is particularly suggestive) and S. Freud (*Toem und Tabu*, 1913). But it does not follow that it is foreign to the mind of normal man of our own time. On the contrary, any discussion of political issues may convince the reader that a large and—for action—most important body of our own processes is of exactly the same nature.

Rational thought or behavior and a rationalistic civilization therefore do not imply absence of the criteria mentioned but only a slow though incessant widening of the sector of social life within which individuals or groups go about dealing with a given situation, first, by trying to make the best of it or less—never wholly—according to their own lights; second, by doing so according to those rules of consistency which we call logic; and third, by doing so on assumptions which satisfy two conditions: that their number be a minimum and that every one of them be amenable to expression in terms of potential experience.

All this is very inadequate of course but it suffices for our purpose. There is however one more point about the concept of rationalist civilizations that I will mention here for future reference. When the habit of rational analysis of, and rational behavior in, the daily tasks of life has gone far enough, it turns back upon the mass of collective ideas and criticizes and to some extent “rationalizes” them by way of such questions as why there should be kings and popes or subordination or titles or property. Incidentally, it is important to notice that, while most of us would accept such an attitude as the symptom of a “higher stage” of mental development, this value judgment is not necessarily and in every sense borne out by the results. The rationalist attitude may go to work with information and technique so inadequate that actions—and especially a general surgical propensity—induced by it may, to an observer of a later period, appear to be, even from a purely intellectual standpoint, inferior to the actions and anti-surgical propensities associated with attitudes that at the time most people felt inclined to attribute to a low I.Q. A large part of the political thought of the seventeenth and eighteenth centuries illustrates this ever-forgotten truth. Not only in depth of social vision but also in logical analysis later “conservative” countercriticism was clearly superior although it would have been a mere matter of laughter for the writers of the enlightenment.

Now the rational attitude presumably forced itself on the human mind primarily from economic necessity: it is the everyday economic task to which we as a race owe our elementary training in rational thought and behavior—I have no hesitation in saying that all logic is derived from the pattern of the economic decision or, to use a pet phrase of mine, that the economic pattern is the matrix of logic. This seems plausible for the following reason. Suppose that some “primitive” man uses that most elementary of all machines, already appreciated by our gorilla cousins, a stick, and that this stick breaks in his hand. If he tries to remedy the damage by reciting a magic formula—he might for instance murmur “Supply and Demand or Planning and Control” in the expectation that if he repeats this exactly nine times the two fragments will unite again—then he is within the precincts of pre-rational thought. If he gropes for the best way to join the fragments or to procure another stick, he is being rational in our sense. Both attitudes are possible of course. But it stands to reason that in this and most other economic actions the failure of a magic formula to work will be much more obvious than could be any failure of a formula that was to make our man victorious in combat or lucky in love or to lift a load of guilt from his conscience. This is due to the inexorable definiteness and, in most cases, the quantitative character that distinguishes the economic from other spheres of human action, perhaps also to the unemotional drabness of the unending rhythm of economic wants and satisfactions. Once hardened in, the rational habit spreads under the pedagogic influence of favorable experiences to the other spheres and there also opens eyes for that amazing thing, the Fact.

This process is independent of any particular garb, hence also of the capitalistic garb, of economic activity. So is the profit motive and self-interest. Pre-capitalist man is in fact no less “grabbing” than capitalistic man. Peasant serves for instance or warrior lords assert their self-interest with a brutal energy all their own. But capitalism develops rationality and adds a new edge to it in two interconnected ways.

First it exalts the monetary unit—not itself a creation of capitalism—into a unit of account. That is to say, capitalist practice turns the unit of money into a tool of rational cost-profit calculations, of which the towering monument is double-entry bookkeeping.4 Without going into this, we will notice that, primarily a product of the evolution of economic rationality, the cost-profit calculus in turn reacts upon that rationality; by crystallizing and defining numerically, it powerfully propels the logic of enterprise. And thus defined and quantified...

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4 This element has been stressed, and more so overemphasized, by Sombart. Double-entry bookkeeping is the last step on a long and tortuous road. Its immediate predecessor was the practice of making up from time to time an inventory and figuring out profit or loss; see A. Sapori in *Biblioteca Storica Italiana*, VII, 1935. Luca Pacioli’s treatise on bookkeeping, 1494, supplies its date an important milestone. For the history and sociology of the state it is a vital fact to notice that rational bookkeeping did not intrude into the management of public funds until the eighteenth century and that even then it did so imperfectly and in the primitive form of “generalist” bookkeeping.
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for the economic sector, this type of logic or attitude or method then starts upon its conqueror's career subjugating—rationalizing—man's tools and philosophies, his medical practice, his picture of the cosmos, his outlook on life, everything in fact including his concepts of beauty and justice and his spiritual ambitions.

In this respect it is highly significant that modern mathematico-experimental science developed, in the fifteenth, sixteenth and seventeenth centuries, not only along with the social process usually referred to as the Rise of Capitalism, but also outside of the fortress of scholastic thought and in the face of its contemptuous hostility. In the fifteenth century mathematics was mainly concerned with questions of commercial arithmetic and the problems of the architect. The utilitarian mechanical device, invented by men of the craftsman type, stood at the source of modern physics. The rugged individualism of Galileo was the individualism of the rising capitalist class. The surgeon began to rise above the midwife and the barber. The artist who at the same time was an engineer and an entrepreneur—the type immortalized by such men as Vinci, Alberti, Cellini; even Dürer busied himself with plans for fortifications—illustrates best of all what I mean. By cursing it all, scholastic professors in the Italian universities showed more sense than we give them credit for. The trouble was not with individual unorthodox propositions. Any decent schoolman could be trusted to twist his texts so as to fit the Copernican system. But those professors quite rightly sensed the spirit behind such exploits—the spirit of rationalist individualism, the spirit generated by rising capitalism.

Second, rising capitalism produced not only the mental attitude of modern science, the attitude that consists in asking certain questions and in going about answering them in a certain way, but also the men and the means. By breaking up the feudal environment and disturbing the intellectual peace of manor and village (though there always was, of course, plenty to discuss and to fall out about in a convent), but especially by creating the social space for a new class that stood upon individual achievement in the economic field, it in turn attracted to that field the strong wills and the strong intellects. Pre-capitalist economic life left no scope for achievement that would carry over class boundaries or, to put it differently, be adequate to create social positions comparable to those of the members of the then ruling classes. Not that it precluded ascent in general. But business activity was, broadly speaking, essentially subordinate, even at the peak of success within the craft guild, and it hardly ever led out of it. The

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main avenues to advancement and large gain were the church—nearly as accessible throughout the Middle Ages as it is now—to which we may add the charities of the great territorial magnates, and the hierarchy of warrior lords—quite accessible to every man who was physically and psychically fit until about the middle of the twelfth century, and not quite inaccessible thereafter. It was only when capitalist enterprise—first commercial and financial, then mining, finally industrial—unfolded its possibilities that supernormal ability and ambition began to turn to business as a third avenue. Success was quick and conspicuous, but it has been much exaggerated as regards the social weight it carried at first. If we look closely at the career of Jacob Fugger, for instance, or of Agostino Chigi, we easily satisfy ourselves that they had very little to do with steering the policies of Charles V or of Pope Leo X and that they paid heavily for such privileges as they enjoyed. Yet entrepreneurial success was fascinating enough for everyone excepting the highest strata of feudal society to draw most of the best brains and thus to generate further success—

to generate additional steam for the rationalist engine. So, in this sense, capitalism—and not merely economic activity in general—has after all been the propelling force of the rationalization of human behavior.

And now we are at long last face to face with the immediate goal to which that complex yet inadequate argument was to lead. Not only the modern mechanized plant and the volume of the output that pours forth from it, not only modern technology and economic organization, but all the features and achievements of modern civilization are, directly or indirectly, the products of the capitalist process. They must be included in any balance sheet of it and in any verdict about its deeds or misdeeds.

There is the growth of rational science and the long list of its applications. Airplanes, refrigerators, television and that sort of thing are immediately recognizable as results of the profit economy. But although the modern hospital is not as a rule operated for profit, it is nonetheless the product of capitalism not only, to repeat, because the capitalist process supplies the means and the will, but much more fundamentally because capitalist rationality supplied the habits of

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1 We are too prone to look upon the medieval social structure as static or rigid. As a matter of fact, there was an incessant—indeed Pareto's term—circulation des aristocraties. The elements that composed the uppermost stratum around 900 had practically disappeared by 1500.

2 The Medici are not a real exception. For though their wealth helped them to acquire control of the Florentine commonwealth, it was this control and not the wealth per se which accounts for the role played by the family. In any case they are the only merchants that ever rose to a position of equality with the uppermost stratum of the feudal world. Real exceptions we find only where capitalist evolution created an environment or broke up the feudal stratum—in Venice and in the Netherlands for instance.

3 The immediate goal, because the analysis contained in the last page will stand us in good stead also for other purposes. It is in fact fundamental for any serious discussion of the great theme of Capitalism and Socialism.
mind that evolved the methods used in these hospitals. And the victories, not yet completely won but in the offing over cancer, syphilis and tuberculosis will be as much as capitalist achievements as motorcars or pipe lines or Bessemer steel have been. In the case of medicine, there is a capitalist profession behind the methods, capitalist both because to a large extent it works in a business spirit and because it is an emulsion of the industrial and commercial bourgeoisie. But even if that were not so, modern medicine and hygiene would still be by-products of the capitalist process just as is modern education.

There is the capitalist art and the capitalist style of life. If we limit ourselves to painting as an example, both for brevity's sake and because in that field my ignorance is slightly less complete than it is in others, and if (wrongly, as I think) we agree to start an epoch with Giotto's Arena frescoes and then follow the line (nothing short of damnable though such "linear" arguments are) Giotto—Masaccio—Vinci—Michelangelo—Greco, no amount of emphasis on mystical ardors in the case of Greco can obliterate my point for anyone who has eyes that see. And Vinci's experiments are offered to doubters who wish, as it were, to touch the capitalist rationality with their fingertips. This line if projected (yes, I know) could be made to land us (though perhaps gasping) in the contrast between Delacroix and Ingres. Well, and there we are; Ceàzanne, Van Gogh, Picasso or Matisse will do the rest. Expressionist liquidation of the object forms an admirably logical conclusion. The story of the capitalist novel (culminating in the Goncourt novel: "documents written up") would illustrate still better. But that is obvious. The evolution of the capitalist style of life could be easily—and perhaps most tellingly—described in terms of the genesis of the modern lounge suit.

There is finally all that may be grouped around the symbolic centerpiece of Gladstonian liberalism. The term Individualist Democracy would do as well—better in fact because we want to cover some things that Gladstone would not have approved and a moral and spiritual attitude which, dwelling in the citadel of faith, he actually hated. At that I could leave this point if radical liturgy did not consist largely in picturesque denials of what I mean to convey. Radicals may insist that the masses are crying for salvation from intolerable sufferings and rattle their chains in darkness and despair; but of course there never was so much personal freedom of mind and body for all, never so much readiness to bear with and even to finance the mortal enemies of the leading class, never so much active sympathy with real and faked sufferings, never so much readiness to accept burdens, as there is in modern capitalist society; and whatever democracy there was, outside of pleasant communities, developed historically in the wake of both modern and ancient capitalism. Again plenty of facts can be adduced from the past to make up a counterargument that will be effective but is irrelevant in a discussion of present conditions and future alternatives. If we do decide to embark upon historical disquisition at all, then even many of those facts which to radical critics may seem to be the most eligible ones for their purpose will often look differently if viewed in the light of a comparison with the corresponding facts of pre-capitalist experience. And it cannot be replied that "those were different times." For it is precisely the capitalist process that made the difference.

Two points in particular must be mentioned. I have pointed out before that social legislation or, more generally, institutional change for the benefit of the masses is not simply something which has been forced upon capitalist society by an ineluctable necessity to alleviate the ever-deepening misery of the poor but that, besides raising the standard of living of the masses by virtue of its automatic effects, the capitalist process also provided for that legislation the means and the will. The words in quotes require further explanation that is to be found in the principle of spreading rationality. The capitalist process rationalizes behavior and ideas and by so doing chases from our minds, along with metaphysical belief, mystic and romantic ideas of all sorts. Thus it reshapes not only our methods of attaining our ends but also these ultimate ends themselves. "Free thinking" in the sense of materialistic monism, laicism and pragmatic acceptance of the world this side of the grave follow from this not indeed by logical necessity but nevertheless very naturally. On the one hand, our inherited sense of duty, deprived of its traditional basis, becomes focused in utilitarian ideas about the betterment of mankind which, quite logically to be sure, seem to withstand rationalist criticism better than, say, the fear of God does. On the other hand, the same rationalization of the soul rubs off all the glamour of super-empirical sanction from every species of classwise rights. This then, together with the typically capitalist enthusiasm for Efficiency and Service—so completely different from the body of ideas which would have been associated with those terms by the typical knight of old—breeds that "will" within the bourgeoise itself. Feminism, an essentially capitalist phenomenon, illustrates the point still more clearly. The reader will realize that these tendencies must be understood "objectively" and that therefore no amount of anti-feminist or anti-reformist talk or even of temporary opposition to any particular measure proves anything against this analysis. These things are the very symptoms of the tendencies they pretend to fight. Of this, more in the subsequent chapters.

Also, capitalist civilization is rationalistic and anti-heroic. The 9 Even Marx, in whose time indications of this kind were not anything like as absurd as they are today, evidently thought it desirable to strengthen his case by dwelling on conditions that even then were either past or visibly passing.
two go together of course. Success in industry and commerce requires a lot of stamina, yet industrial and commercial activity is essentially unhonorable in the knight's sense—no flourishing of swords about it, not much physical prowess, no chance to gallop the armored horse into the enemy, preferably a heretic or heathen—and the ideology that glorifies the idea of fighting for fighting's sake and of victory for victory's sake understandably withers in the office among all the columns of figures. Therefore, owning assets that are apt to attract the robber or the tax gatherer and not sharing or even disliking warrior ideology that conflicts with its "rational" utilitarianism, the industrial and commercial bourgeoisie is fundamentally pacifist and inclined to insist on the application of the moral precepts of private life to international relations. It is true that, unlike most but like some other features of capitalist civilization, pacifism and international morality have also been espoused in non-capitalist environments and by pre-capitalist agencies, in the Middle Ages by the Roman Church for instance. Modern pacifism and modern international morality are nonetheless products of capitalism.

In view of the fact that Marxist doctrine—especially Neo-Marxist doctrine and even a considerable body of non-socialist opinion—is, as we have seen in the first part of this book, strongly opposed to this proposition, it is necessary to point out that the latter is not meant to deny that many a bourgeoisie has put up a splendid fight for hearth and home, or that almost purely bourgeois commonwealths were often aggressive when it seemed to pay—like the Athenian or the Venetian commonwealths—or that no bourgeoisie ever disliked war profits and advantages to trade accruing from conquest or refused to be trained in warlike nationalism by its feudal masters or leaders or by the propaganda of some specially interested group. All I hold is, first, that such instances of capitalist combativeness are not, as Marxism has it, to be explained—exclusively or primarily—in terms of class interests or class situations that systematically engender capitalist wars of conquest; second, that there is a difference between doing that which you consider your normal business in life, for which you prepare yourself in season and out of season and in terms of which you define your success or failure, and doing what is not in your line, for which your normal work and your mentality do not fit you and success in which will increase the prestige of the most unbirthed of professions; and third, that this difference steadily tells—in international as well as in domestic affairs—against the use of military force and for peaceful arrangements, even where the balance of pecuniary advantage is clearly on the side of war which, under modern circumstances, is not in general very likely. As a matter of fact, the more completely capitalist the structure and attitude of a nation, the more pacifist—and the

*See our discussion of the Marxist theory of imperialism, Part I, ch. iv.
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dom of choice but by shaping the choosing mentalities and by nar-
rowing the list of possibilities from which to choose. If this is the
quintessence of Marxism then we all of us have got to be Marxists. In
consequence, capitalist performance is not even relevant for prognosis.
Most civilizations have disappeared before they had time to fill to
the full the measure of their promise. Hence I am not going to argue,
on the strength of that performance, that the capitalist intermezzo is
likely to be prolonged. In fact, I am now going to draw the exactly
opposite inference.

CHAPTER XII
CRUMBLING WALLS

I. THE OBSOLESCENCE OF THE ENTREPRENEURIAL FUNCTION

In our discussion of the theory of vanishing investment opportunity,
a reservation was made in favor of the possibility that the economic
wants of humanity might some day be so completely satisfied that little
motive would be left to push productive effort still further ahead.
Such a state of satiety is no doubt very far off even if we keep within
the present scheme of wants; and if we take account of the fact that,
as higher standards of life are attained, these wants automatically
expand and new wants emerge or are created, the state of satiety becomes
a flying goal, particularly if we include leisure among consumers' goods. How-
ever, let us glance at that possibility, assuming, still more unrealisti-
cally, that methods of production have reached a state of perfection
which does not admit of further improvement.

A more or less stationary state would ensue. Capitalism, being
essentially an evolutionary process, would become atrophic. There would
be nothing left for entrepreneurs to do. They would find themselves
in much the same situation as general species in a society perfectly
sure of permanent peace. Profits and along with profits the rate of
interest would converge toward zero. The bourgeois strata that live on
profits and interest would tend to disappear. The management of
industry and trade would become a matter of current administration,
and the personnel would unavoidably acquire the characteristics of a
bureaucracy. Socialism of a very sober type would almost automati-
cally come into being. Human energy would turn away from business.
Other than economic pursuits would attract the brains and provide
the adventure.

For the calculable future this vision is of no importance. But all
the greater importance attaches to the fact that many of the effects on
the structure of society and on the organization of the productive pro-
cess that we might expect from an approximately complete satisfac-
tion of wants or from absolute technological perfection can also be
expected from a development that is clearly observable already. Prog-
ress itself may be mechanized as well as the management of a stationary
economy, and this mechanization of progress may affect entrepre-
neurship and capitalist society nearly as much as the cessation of eco-
nomic progress would. In order to see this it is only necessary to restate,

1 Wilhelm Wundt called this the Heterogony of Aims (Heterogonie der Zwecke).
first, what the entrepreneurial function consists in and, secondly, what it means for bourgeois society and the survival of the capitalist order.

We have seen that the function of entrepreneurs is to reform or revolutionize the pattern of production by exploiting an invention or, more generally, an untried technological possibility for producing a new commodity or producing an old one in a new way, by opening up a new source of supply of materials or a new outlet for products, by reorganizing an industry and so on. Railroad construction in its earlier stages, electrical power production before the First World War, steam and steel, the motorcar, colonial ventures afford spectacular instances of a large genus which comprises innumerable humbler ones—down to such things as making a success of a particular kind of sausage or toothbrush. This kind of activity is primarily responsible for the recurrent "prosperities" that revolutionize the economic organism and the recurrent "recessions" that are due to the dislocating impact of the new products or methods. To undertake such new things is difficult and constitutes a distinct economic function, first, because they lie outside of the routine tasks which everybody understands and, secondly, because the environment resists in many ways that vary, according to social conditions, from simple refusal either to finance or to buy a new thing, to physical attack on the man who tries to produce it. To act with confidence beyond the range of familiar beacons and to overcome that resistance requires aptitudes that are present in only a small fraction of the population and that define the entrepreneurial type as well as the entrepreneurial function. This function does not essentially consist in either inventing anything or otherwise creating the conditions which the enterprise exploits. It consists in getting things done.

This social function is already losing importance and is bound to lose it at an accelerating rate in the future even if the economic process itself of which entrepreneurship was the prime mover went on unabated. For, on the one hand, it is much easier now than it has been in the past to do things that lie outside familiar routine—innovation itself is being reduced to routine. Technological progress is increasingly becoming the business of teams of trained specialists who turn out what is required and make it work in predictable ways. The romance of earlier commercial adventure is rapidly wearing away, because so many more things can be strictly calculated that had of old to be visualized in a flash of genius.

On the other hand, personality and will power must count for less in environments which have become accustomed to economic change—best instanced by an incessant stream of new consumers' and producers' goods—and which, instead of resisting, accept it as a matter of course. The resistance which comes from interests threatened by an innovation in the productive process is not likely to die out as long as
But this affects the position of the entire bourgeois stratum. Although entrepreneurs are not necessarily or even typically elements of that stratum from the outset, they nevertheless enter it in case of success. Thus, though entrepreneurs do not per se form a social class, the bourgeois class absorbs them and their families and connections, thereby recruiting and revitalizing itself currently while at the same time the families that sever their active relation to "business" drop out of it after a generation or two. Between, there is the bulk of what we refer to as industrialists, merchants, financiers and bankers; they are in the intermediate stage between entrepreneurial venture and mere current administration of an inherited domain. The returns on which the class lives are produced by, and the social position of the class rests on, the success of this more or less active sector—which of course may, as it does in this country, form over 90 percent of the bourgeois stratum—and of the individuals who are in the act of rising into that class. Economically and sociologically, directly and indirectly, the bourgeoisie therefore depends on the entrepreneur and, as a class, lives and will die with him, though a more or less prolonged transitional stage—eventually a stage in which it may feel equally unable to die and to live—is quite likely to occur, as in fact it did occur in the case of the feudal civilization.

To sum up this part of our argument: if capitalist evolution—"progress"—either ceases or becomes completely automatic, the economic basis of the industrial bourgeoisie will be reduced eventually to wages such as are paid for current administrative work excepting remnants of quasi-rents and monopolies that may be expected to linger on for some time. Since capitalist enterprise, by its very achievements, tends to automatize progress, we conclude that it tends to make itself superfluous—to break to pieces under the pressure of its own success. The perfectly bureaucratized giant industrial unit not only ousts the small or medium-sized firm and "expropriates" its owners, but in the end it also ousts the entrepreneur and expropriates the bourgeoisie as a class which in the process stands to lose not only its income but also what is infinitely more important, its function. The true pacemakers of socialism were not the intellectual or agitators who preached it but the Vanderbilts, Carnegies, and Rockefellers. This result may not in every respect be to the taste of Marxist socialists, still less to the taste of socialists of a more popular (Marx would have said, vulgar) description. But so far as progressions go, it does not differ from theirs.

II. THE DESTRUCTION OF THE PROTECTING STRATA

So far we have been considering the effects of the capitalist process upon the economic bases of the upper strata of capitalist society and upon their social position and prestige. But effects further extend to the institutional framework that protected them. In showing this we shall take the term in its widest acceptance so as to include not only legal institutions but also the attitudes of the public mind and policies.

1. Capitalist evolution first of all destroyed, or went far toward destroying, the institutional arrangements of the feudal world—the manor, the village, the craft guild. The facts and mechanisms of this process are too familiar to detain us. Destruction was wrought in three ways. The world of the artisan was destroyed primarily by the automatic effects of the competition that came from the capitalist entrepreneur; political action in removing agrarian organizations and regulations only registered results. The world of the lord and the peasant was destroyed primarily by political—in some cases revolutionary—action and capitalism merely presided over adaptive transformations of the German manorial organizations into large-scale agricultural units of production. But along with these industrial and agrarian revolutions went a no less revolutionary change in the general attitude of legislative authority and public opinion. Together with the old economic organization vanished the economic and political privileges of the classes or groups that used to play the leading role in it, particularly the tax exemptions and the political prerogatives of the landed nobility and gentry and of the clergy.

Economically all this meant for the bourgeoisie the breaking of so many fetters and the removal of so many barriers. Politically it meant the replacement of an order in which the bourgeoisie was a humble subject by another that was more congenial to his rationalist mind and to his immediate interests. But, surveying that process from the standpoint of today, the observer might well wonder whether in the end such complete emancipation was good for the bourgeoisie and his world. For those fetters not only hampered, they also sheltered. Before proceeding further we must carefully clarify and appraise this point.

2. The related processes of the rise of the capitalist bourgeoisie and of the rise of national states produced, in the sixteenth, seventeenth and eighteenth centuries, a social structure that may seem to us amphibious though it was no more amphibious or transitional than any other. Consider the outstanding instance that is afforded by the monarchy of Louis XIV. The royal power had subjugated the landed aristocracy and at the same time conciliated it by proffering employment and pensions and by conditionally accepting its claims to a ruling or leading class position. The same royal power had subjugated and allied itself with the clergy. It had finally strengthened its sway over the bourgeoisie, its old ally in the struggle with the territorial magnates, protecting and propelling its enterprise in order to exploit it the more effectively in turn. Peasants and the (small) industrial proletariat were

\footnote{Gallicanism was nothing else but the ideological reflex of this.}
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likewise managed, exploited and protected by public authority—though the protection was in the case of the French ancien régime very much less in evidence than for instance in the Austria of Maria Theresa or of Joseph II—and, vicariously, by landlords or industrialists. This was not simply a government in the sense of nineteenth-centur 

y liberalism, i.e., a social agency existing for the performance of a few limited functions to be financed by a minimum of revenue. On principle, the monarchy managed everything, from consciences to the patterns of the silk fabrics of Lyons, and financially it aimed at a maximum of revenue. Though the king was never really absolute, public authority was all-comprehensive.

Correct diagnosis of this pattern is of the utmost importance for our subject. The king, the court, the army, the church and the bureaucracy lived to an increasing extent on revenue created by the capitalist process, even purely feudal sources of income being swallowed in consequence of contemporaneous capitalist developments. To an increasing extent also, domestic and foreign policies and institutional changes were shaped to suit and prop up that development. As far as that goes, the feudal elements in the structure of the so-called absolute monarchy come in only under the heading of atavisms which in fact is the diagnosis one would naturally adopt at first sight.

Looking more closely, however, we realize that those elements meant more than that. The steel frame of that structure still consisted of the human material of feudal society and this material still behaved according to precapitalist patterns. It filled the offices of state, officered the army, devised policies it functioned as a classe dirigente and, though taking account of bourgeois interests, it took care to distance itself from the bourgeoisie. The center-piece, the king, was king by the grace of God, and the root of his position was feudal, not only in the historical but also in the sociological sense, however much he availed himself of the economic possibilities offered by capitalism. All this was more than atavism. It was an active symbiosis of two social strata, one of which no doubt supported the other economically but was in turn supported by the other politically. Whatever we may think of the achievements or shortcomings of this arrangement, whatever the bourgeoisie himself may have thought of it at the time or later—and of the aristocratic scapegrace or idler—it was of the essence of that society.

8. Of that society only! The subsequent course of things, best exemplified by the English case, suggests the answer. The aristocratic element continued to rule the roost right to the end of the period of intact and vital capitalism. No doubt that element—though nowhere so effectively as in England—currently absorbed the brains from other strata that drifted into politics; it made itself the representative of bourgeois interests and fought the battles of the bourgeoisie; it

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had to surrender its last legal privileges; but with these qualifications, and for ends no longer its own, it continued to man the political engine, to manage the state, to govern.

The economically operative part of the bourgeois strata did not offer much opposition to this. On the whole, that kind of division of labor suited them and they liked it. Where they did revolt against it or where they got into the political saddle without having to revolt, they did not make a conspicuous success of ruling and did not prove able to hold their own. The question arises whether it is really safe to assume that these failures were merely due to lack of opportunity to acquire experience and, with experience, the attitudes of a politically ruling class.

It is not. There is a more fundamental reason for those failures such as are instanced by the French or German experiences with bourgeois attempts at ruling—a reason which again will best be visualized by contrasting the figure of the industrialist or merchant with that of the medieval lord. The latter’s “profession” not only qualified him admirably for the defense of his own class interest—he was not only able to fight for it physically—but it also cast a halo around him and made of him a ruler of men. The first was important, but more so were the mystic glamour and the lordly attitude—that ability and habit to command and to be obeyed that carried prestige with all classes of society and in every walk of life. That prestige was so great and that attitude so useful that the class position outweighed the social and technological conditions which had given rise to it and proved adaptable, by means of a transformation of the class function, to quite different social and economic conditions. With the utmost ease and grace the lords and knights metamorphosed themselves into courtiers, administrators, diplomats, politicians and into military officers of a type that had nothing whatever to do with that of the medieval knight. And—most astonishing phenomenon when we come to think of it—a remnant of that old prestige survives even to this day, and not only with our ladies.

Of the industrialist and merchant the opposite is true. There is surely no trace of any mystic glamour about him which is what counts in the ruling of men. The stock exchange is a poor substitute for the Holy Grail. We have seen that the industrialist and merchant, as far as they are entrepreneurs, also fill a function of leadership. But economic leadership of this type does not readily expand, like the medieval lord’s military leadership, into the leadership of nations. On the contrary, the ledger and the cost calculation absorb and confine.

I have called the bourgeois rationalist and unheroic. He can only use rationalist and unheroic means to defend his position or to bend a nation to his will. He can impress by what people may expect
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from his economic performance, he can argue his case, he can promise to pay out money or threaten to withhold it, he can hire the treacherous services of a condottiere or politician or journalist. But that is all and all of it is greatly overrated as to its political value. Nor are his experiences and habits of life of the kind that develop personal fascination. A genius in the business office may be, and often is, utterly unable outside of it to say boo to a goose—both in the dressing room and on the platform. Knowing this he wants to be left alone and to leave politics alone.

Again exceptions will occur to the reader. But again they do not amount to much. Aptitude for, and interest and success in, city management is the only important exception in Europe, and this will be found to strengthen our case instead of weakening it. Before the advent of the modern metropolis, which is no longer a bourgeois affair, city management was akin to business management. Grasp of its problems and authority within its precincts came naturally to the manufacturer and trader, and the local interests of manufacturing and trading supplied most of the subject matter of its politics which therefore lent itself to treatment by the methods and in the spirit of the business office. Under exceptionally favorable conditions, exceptional developments sprouted from those roots, such as the developments of the Venetian or Genoese republics. The case of the Low Countries enters into the same pattern, but it is particularly instructive by virtue of the fact that the merchants' republic invariably failed in the great game of international politics and that in practically every emergency it had to hand over the reins to a warlord of feudal complexion. As regards the United States, it would be easy to list the uniquely favorable circumstances—rapidly warning—that explain its case.

4. The inference is obvious: barring such exceptional conditions, the bourgeois class is ill equipped to face the problems, both domestic and international, that have normally to be faced by a country of any importance. The bourgeois themselves feel this in spite of all the phraseology that seems to deny it, and so do the masses. Within a protecting framework not made of bourgeois material, the bourgeoisie may be successful, not only in the political defensive but also in the offensive, especially as an opposition. For a time it felt so safe as to be able to afford the luxury of attacking the protective frame itself; such bourgeois opposition as there was in imperial Germany illustrates this to perfection. But without protection by some non-bourgeois group, the bourgeoisie is politically helpless and unable not only to lead its nation but even to take care of its particular class interest. Which amounts to saying that it needs a master.

But the capitalist process, both by its economic mechanics and by

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its psycho-sociological effects, did away with this protecting master or, as in this country, never gave him, or a substitute for him, a chance to develop. The implications of this are strengthened by another consequence of the same process. Capitalist evolution eliminates not only the king Dei Gratia but also the political entrenchments that, had they proved tenable, would have been formed by the village and the craft guild. Of course, neither organization was tenable in the precise shape in which capitalism found it. But capitalist policies wrought destruction much beyond what was unavoidable. They attacked the artisan in reservations in which he could have survived for an indefinite time. They forced upon the peasant all the blessings of early liberalism—the free and unsheltered holding and all the individualistic rope he needed in order to hang himself.

In breaking down the pre-capitalist framework of society, capitalism thus broke not only barriers that impeded its progress but also flying buttresses that prevented its collapse. That process, impressive in its relentless necessity, was not merely a matter of removing institutional deadwood, but of removing partners of the capitalist stratum, symbiosis with whom was an essential element of the capitalist schema. Having discovered this fact which so many slogans obscure, we might well wonder whether it is quite correct to look upon capitalism as a social form sui generis or, in fact, as anything else but the last stage of the decomposition of what we have called feudalism. On the whole, I am inclined to believe that its peculiarities suffice to make a type and to accept that symbiosis of classes which owe their existence to different epochs and processes as the rule rather than as an exception—at least it has been the rule these 6000 years, i.e., ever since primitive tillers of the soil became the subjects of mounted nomads. But there is no great objection that I can see against the opposite view alluded to.

III. THE DESTRUCTION OF THE INSTITUTIONAL FRAMEWORK OF CAPITALIST SOCIETY

We return from our digression with a load of ominous facts. They are almost, though not quite, sufficient to establish our next point, viz., that the capitalist process in much the same way in which it destroyed the institutional framework of feudal society also undermines its own.

It has been pointed out above that the very success of capitalist enterprise paradoxically tends to impair the prestige or social weight of the class primarily associated with it and that the giant unit of control tends to oust the bourgeoisie from the function to which it owed that social weight. The corresponding change in the meaning, and the incidental loss in vitality, of the institutions of the bourgeois world and of its typical attitudes are easy to trace.

This line of reasoning will be taken up again in Part IV.
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On the one hand, the capitalist process unavoidably attacks the economic standing ground of the small producer and trader. What it did to the pre-capitalist strata it also does—and by the same competitive mechanism—to the lower strata of capitalist industry. Here of course Marx scores. It is true that the facts of industrial concentration do not quite live up to the ideas the public is being taught to entertain about it (see Chapter XIX). The process has gone less far and is less free from setbacks and compensatory tendencies than one would gather from many a popular exposition. In particular, large-scale enterprise not only annihilates but also, to some extent, creates space for the small producing, and especially trading, firm. Also, in the case of the peasants and farmers, the capitalist world has at last proved both willing and able to pursue an expensive but on the whole effective policy of conservation. In the long run, however, there can be little doubt about the fact we are envisaging, or about its consequences. Outside of the agrarian field, moreover, the bourgeoisie has shown but little awareness of the problem* or its importance for the survival of the capitalist order. The profits to be made by rationalizing the organization of production and especially by cheapening the tortuous way of commodities from the factory to the ultimate consumer are more than the mind of the typical businessman can resist.

Now it is important to realize precisely what these consequences consist in. A very common type of social criticism which we have already met laments the “decline of competition” and equates it to the decline of capitalism because of the virtues it attributes to competition and the vices it attributes to modern industrial “monopolies.” In this schema of interpretation, monopolization plays the role of arteriosclerosis and reacts upon the fortunes of the capitalist order through increasingly unsatisfactory economic performance. We have seen the reasons for rejecting this view. Economically neither the case for competition nor the case against concentration of economic control is anything like as strong as this argument implies. And, whether weak or strong, it misses the salient point. Even if the giant concerns were all managed so perfectly as to call forth applause from the angels in heaven, the political consequences of concentration would still be what they are. The political structure of a nation is profoundly affected by the elimination of a host of small and medium-sized firms the owner-managers of which, together with their dependents, henchmen and connections, count quantitatively at the polls and have a hold on what we may term the foreman class that no management of a large unit can ever have; the very foundation of private property and free contracting wears away in a nation in which its most vital, most concrete, most meaningful types disappear from the moral horizon of the people.

On the other hand, the capitalist process also attacks its own institutional framework—let us continue to visualize “property” and “free contracting” as part of the totality—are within the precincts of the big units. Excepting the cases that are still of considerable importance in which a corporation is practically owned by a single individual or family, the figure of the proprietor and with it the specifically proprietary interest have vanished from the picture. There are the salaried executives and all the salaried managers and submanagers. There are the big stockholders. And then there are the small stockholders. The first group tends to acquire the employee attitude and rarely if ever identifies itself with the stockholding interest even in the most favorable cases, i.e., in the cases in which it identifies itself with the interest of the concern as such. The second group, even if it considers its connection with the concern as permanent and even if it actually behaves as financial theory would have stockholders behave, is at one remove from both the functions and the attitudes of an owner. As to the third group, small stockholders often do not care much about what for most of them is but a minor source of income and, whether they care or not, they hardly ever bother, unless they or some representatives of theirs are out to exploit their nuisance value; being often very ill used and still more often thinking themselves ill used, they almost regularly drift into an attitude hostile to “their” corporations, to big business in general and, particularly when things look bad, to the capitalist order as such. No element of any of those three groups into which I schematized the typical situation unconditionally takes the attitude characteristic of that curious phenomenon, so full of meaning and so rapidly passing, that is covered by the term Property.

Freedom of contracting is in the same boat. In its full vitality it meant individual contracting regulated by individual choice between an indefinite number of possibilities. The stereotyped, unindividuated, impersonal and bureaucratised contract of today—this applies much more generally, but a postscript we may fasten upon the labor contract—which presents but restricted freedom of choice and mostly turns on a c'est à prendre ou à laisser, has none of the old features the most important of which become impossible with giant concerns dealing with other giant concerns or impersonal masses of workmen or consumers. The void is being filled by a tropical growth of new legal structures—and a little reflection shows that this could hardly be otherwise.

Thus the capitalist process pushes into the background all those institutions, the institutions of property and free contracting in particular, that expressed the needs and ways of the truly “private”
economic activity. Where it does not abolish them, as it already has abolished free contracting in the labor market, it attains the same end by shifting the relative importance of existing legal forms—the legal forms pertaining to corporate business for instance as against those pertaining to the partnership or individual firm—or by changing their contents or meanings. The capitalist process, by substituting a mere parcel of shares for the walls of and the machines in a factory, takes the life out of the idea of property. It loosens the grip that once was so strong—the grip in the sense of the legal right and the actual ability to do as one pleases with one's own; the grip also in the sense that the holder of the title loses the will to fight, economically, physically, politically, for "his" factory and his control over it, to die if necessary on its steps. And this evaporation of what we may term the material substance of property—its visible and touchable reality—affects not only the attitude of holders but also that of the workmen and of the public in general. Dematerialized, defunctionalized and absentee ownership does not impress and call forth moral allegiance as the vital form of property did. Eventually there will be nobody left who really cares to stand for it—nobody within and nobody without the precincts of the big concerns.

CHAPTER XIII
GROWING HOSTILITY

I. THE SOCIAL ATMOSPHERE OF CAPITALISM

From the analysis of the two preceding chapters, it should not be difficult to understand how the capitalist process produced that atmosphere of almost universal hostility to its own social order to which I have referred at the threshold of this part. The phenomenon is so striking and both the Marxian and the popular explanations are so inadequate that it is desirable to develop the theory of it a little further.

1. The capitalist process, so we have seen, eventually decreases the importance of the function by which the capitalist class lives. We have also seen that it tends to wear away protective strata, to break down its own defenses, to disperse the garrisons of its entrenchments. And we have finally seen that capitalism creates a critical frame of mind which, after having destroyed the moral authority of so many other institutions, in the end turns against itself; the bourgeoisie finds to his amazement that the rationalist attitude does not stop at the credentials of kings and popes but goes on to attack private property and the whole scheme of bourgeois values.

The bourgeoisie becomes politically defenseless. Defenseless fortresses invite aggression especially if there is rich booty in them. Aggressors will work themselves up into a state of rationalizing hostility—aggressors always do. No doubt it is possible, for a time, to buy them off. But this last resource fails as soon as they discover that they can have all. In part, this explains what we are out to explain. So far as it goes—it does not go the whole way of course—this element of our theory is verified by the high correlation that exists historically between bourgeoisie defenselessness and hostility to the capitalist order: there was very little hostility on principle as long as the bourgeoisie position was safe, although there was then much more reason for it; it spread pari passu with the crumbling of the protecting walls.

2. But, so it might well be asked—in fact, so it is being asked in naive bewilderment by many an industrialist who honestly feels he

It is hoped that no confusion will arise from my using the verb "to rationalize" in two different meanings. An industrial plant is being "rationalized" when its productive efficiency per unit of expenditure is being increased. We "rationalize" an action of ours when we supply ourselves and others with reasons for it that satisfy our standard of values regardless of what our true impulses may be.
is doing his duty by all classes of society—why should the capitalist order need any protection by extra-capitalist powers or extra-rational loyalties? Can it not come out of the trial with flying colors? Does not our own previous argument sufficiently show that it has plenty of utilitarian credentials to present? Cannot a perfectly good case be made out for it? And those industrialists who assuredly not fail to point out that a sensible workman, in weighing the pro's and con's of his contract with, say, one of the big steel or automobile concerns, might well come to the conclusion that, everything considered, he is not doing so badly and that the advantages of this bargain are not all on one side. Yes—certainly, only all that is quite irrelevant.

For, first, it is an error to believe that political attack arises primarily from grievance and that it can be turned by justification. Political criticism cannot be met effectively by rational argument. From the fact that the criticism of the capitalist order proceeds from a critical attitude of mind, i.e., from an attitude which spurns allegiance to extra-rational values, it does not follow that rational refutation will be accepted. Such refutation may tear the rational garb of attack but can never reach the extra-rational driving power that always lurks behind it. Capitalist rationality does not do away with sub- or super-rational impulses. It merely makes them get out of hand by removing the restraint of sacred or semi-sacred tradition. In a civilization that lacks the means and even the will to discipline and to guide them, they wil revolt. And once they revolt it matters little that, in a rationalist culture, their manifestations will in general be rationalized somehow. Just as the call for utilitarian credentials has never been addressed to kings, lords and popes in a judicial frame of mind that would accept the possibility of a satisfactory answer, so capitalism stands its trial before judges who have the sentence of death in their pockets. They are going to pass it, whatever the defense they may hear; the only success victorious defense can possibly produce is a change in the indictment. Utilitarian reason is in any case weak as a prime mover of group action. In no case is it a match for the extra-rational determinants of conduct.

Second, the success of the indictment becomes quite understandable as soon as we realize what acceptance of the case for capitalism would imply. That case, were it even much stronger than it actually is, could never be made simple. People at large would have to be possessed of an insight and a power of analysis which are altogether beyond them. Why, practically every nonsense that has ever been said about capitalism has been championed by some professed economist. But even if this is disregarded, rational recognition of the economic performance of capitalism and of the hopes it holds out for the future would require an almost impossible moral feat by the have-nots. That performance stands out only if we take a long-run view; any pro-

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capitalist argument must rest on long-run considerations. In the short run, it is profits and inefficiencies that dominate the picture. In order to accept his lot, the leveler or the chartist of old would have had to comfort himself with hopes for his great-grandchildren. In order to identify himself with the capitalist system, the unemployed of today would have completely to forget his personal fate and the politician of today his personal ambition. The long-run interests of society are so entirely lodged with the upper strata of bourgeoisie society that it is perfectly natural for people to look upon them as the interests of that class only. For the masses, it is the short-run view that counts. Like Louis XV, they feel après nous le déluge, and from the standpoint of individualist utilitarianism they are of course being perfectly rational if they feel like that.

Third, there are the daily troubles and expectations of trouble everyone has to struggle with in any social system—the frictions and disappointments, the greater and smaller unpleasant events that hurt, annoy and thwart. I suppose that every one of us is more or less in the habit of attributing them wholly to that part of reality which lies without his skin, and emotional attachment to the social order—i.e., the very thing capitalism is constitutionally unable to produce—is necessary in order to overcome the hostile impulse by which we react to them. If there is no emotional attachment, then that impulse has its way and grows into a permanent constituent of our psychic setup.

Fourth, the ever-rising standards of life and particularly the leisure that modern capitalism provides for the fully employed workman...well, there is no need for me to finish the sentence or to elaborate one of the tritest, oldest and most stocky of all arguments which unfortunately is but too true. Secular improvement that is taken for granted and coupled with individual insecurity that is acutely re-

II. THE SOCIOLOGY OF THE INTELLECTUAL

Nevertheless, neither the opportunity of attack nor real or fancied grievances are in themselves sufficient to produce, however strongly they may favor, the emergence of active hostility against a social order. For such an atmosphere to develop it is necessary that there be groups to whose interest it is to work up and organize resentment, to nurse it, to voice it and to lead it. As will be shown in Part IV, the mass of people never develops definite opinions on its own initiative. Still less is it able to articulate them and to turn them into consistent attitudes and actions. All this can be done without following such aspirations as may offer itself. Until we have discovered social groups that will qualify for that role our theory of the atmosphere of hostility to capitalism is incomplete.

Broadly speaking, conditions favorable to general hostility to a
social system or specific attack upon it will in any case tend to call forth groups that will exploit them. But in the case of capitalist society there is a further fact to be noted: unlike any other type of society, capitalism inevitably and by virtue of the very logic of its civilization creates, educates and subsidizes a vested interest in social unrest. 5 Explanation of this phenomenon, which is as curious as it is important, follows from our argument in Chapter XI, but may be made more telling by an excursion into the Sociology of the Intellectual.

1. This type is not easy to define. The difficulty is in fact symptomatic of the character of the species. Intellectuals are not a social class in the sense in which peasants or industrial laborers constitute social classes; they hail from all the corners of the social world, and a great part of their activities consist in fighting each other and in forming the spearheads of class interests not their own. Yet they develop group attitudes and group interests sufficiently strong to make large numbers of them behave in the way that is usually associated with the concept of social classes. Again, they cannot be simply defined as the sum total of all the people who have had a higher education; that would obliterate the most important features of the type. Yet anyone who had—and, save exceptional cases, nobody who had—not—is a potential intellectual; and the fact that their minds are all similarly furnished facilitates understanding between them and constitutes a bond. Nor would it serve our purpose to make the concept coextensive with the membership of the liberal professions; physicians or lawyers for instance are not intellectuals in the relevant sense unless they talk or write about subjects outside of their professional competence which no doubt they often do—particularly the lawyers. Yet there is a close connection between the intellectuals and the professions. For some professions—especially if we count in journalism—actually do belong almost wholly to the domain of the intellectual type; the members of all professions have the opportunity of becoming intellectuals; and many intellectuals take to some profession for a living. Finally, a definition by means of the contrast to manual labor would be much too wide. 4 Yet the Duke of Wellington's "scribbling set" seems to be too narrow. 5 So is the meaning of hommes de lettres.

5 Every social system is sensitive to revolt and in every social system stirring up revolt is a business that pays in case of success and hence always attracts both brain and brawn. It did in feudal times—very much so. But warrior nobles who revolted against their superiors attacked individual persons or positions. They did not attack the feudal system as such. And feudal society as a whole displayed no tendencies to encourage—intentionally or unintentionally—attacks upon its own social system as a whole.

4 To my sorrow, I have found that the Oxford English Dictionary does not list the meaning I wish to attach to the term. It does give the turn of phrase "a dinner of intellectuals," but in connection with "superior powers of intellect" which points in a very different direction. I have been duly disconcerted, yet have not been able to discover another term that would serve my purpose equally well.


But we might do worse than take our lead from the Iron Duke. Intellectuals are in fact people who wield the power of the spoken and the written word, and one of the tricks that distinguish them from other people who do the same is the absence of direct responsibility for practical affairs. This touch in general accounts for another—the absence of that first-hand knowledge of which only actual experience can give. The critical attitude, arising no less from the intellectual's situation as an onlooker—in most cases also as an outsider—than from the fact that his main chance of asserting himself lies in his actual or potential nuisance value, should add a third touch. The profession of the unprofessional? Professional dilettantism? The people who talk about everything because they understand nothing? Bernard Shaw's journalist in The Doctor's Dilemma? No, no. I have not said that and I do not mean that. That sort of thing would be still more untrue than it would be offensive. Let us give up trying to define by words and instead define "epideictically": in the Greek museum we can see the object, nicely labeled. The sophists, philosophers and rhetors—however strongly they objected to being thrown together, they were all of the same genus—of the fifth and fourth centuries B.C. illustrate ideally what I mean. That practically all of them were teachers does not destroy the value of the illustration.

2 When analyzing the rationalist nature of capitalist civilization (Chapter XI) I pointed out that the development of rational thought of course preceded the rise of the capitalist order by thousands of years; all that capitalism did was to give a new impulse and a particular bend to the process. Similarly—leaving aside the Graeco-Roman world—we find intellectuals in thoroughly pre-capitalist conditions, for instance in the Kingdom of the Franks and in the countries into which it dissolved. But they were few in number; they were clergymen, mostly monks; and their written performance was accessible to only an infinitesimal part of the population. No doubt strong individuals were occasionally able to develop unorthodox views and even to convey them to popular audiences. This however in general implied antagonizing a very strictly organized environment—from which at the same time it was difficult to get away—and risking the lot of the heretic. Even so it was hardly possible without the support or connivance of some great lord or chieftain, as the tactics of missionaries suffice to show. On the whole, therefore, intellectuals were well in hand, and kicking over the traces was no joke, even in times of exceptional disorganization and license, such as during the Black Death (in and after 1348).

But if the monastery gave birth to the intellectual of the medieval world, it was capitalism that let him loose and presented him with the printing press. The slow evolution of the lay intellectual was merely an aspect of this process; the coincidence of the emergence of
humanism with the emergence of capitalism is very striking. The humanities were primarily philologists but—excellently illustrating a point made above—they quickly expanded into the fields of manners, politics, religion and philosophy. This was not alone due to the content of the classic works they interpreted along with their grammar—from the criticism of a text to the criticism of a society, the way is shorter than it seems. Nevertheless, the typical intellectual did not relish the idea of the stake which still awaited the heretic. As a rule, honors and comfort suited him a great deal better. And these were after all to be had only from princes, temporal or spiritual, though the humanists were the first intellectuals to have a public in the modern sense. The critical attitude grew stronger every day. But social criticism—beyond what was implied in certain attacks on the Catholic Church and in particular its head—did not flourish under such conditions.

Honors and emoluments can however be had in more than one way. Flattery and subservience are often less remunerative than are their opposites. This discovery was not made by the Arethina6 but no mortal ever surpassed him in exploiting it. Charles V was a devoted husband but, during his campaigns which kept him from home for many months at a time, he lived the life of a gentleman of his time and class. Very well, the public—and that particularly mattered to Charles, his empress—need never know, provided arguments of the right kind and weight were duly handed to the great critic of politics and morals. Charles paid up. But the point is that this was not simple blackmail which in general benefits one party only and inflicts uncompensated loss on the other. Charles knew why he paid though doubtless it would have been possible to secure silence by cheaper if more drastic methods. He did not display resentment. On the contrary he even went out of his way to honor the man. Obviously he wanted more than silence and, as a matter of fact, he received full value for his gifts.

3. In a sense, therefore, the Arethina's pen was indeed stronger than the sword. But, perhaps through ignorance, I do not know of comparable instances of that type for the next hundred and fifty years, during which intellectuals do not seem to have played any great role outside and independently of the established professions, mainly the law and the church. Now this setback roughly coincides with the setback in capitalist evolution which in most countries of continental Europe occurred in that troubled period. And the subsequent recovery of capitalist enterprise was similarly shared by the intellectuals. The cheaper book, the cheap newspaper or pamphlet, together with the

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widenng of the public that was in part their product but partly an independent phenomenon due to the access of wealth and weight which came to the industrial bourgeoisie and to the incident increase in the political importance of an anonymous public opinion—all these boosts, as well as increasing freedom from restraint, are by-products of the capitalist engine.

In the first three-quarters of the eighteenth century the individual patron was slow to lose the paramount importance in the intellectual's career that he had held at the beginning. But in the peak successes at least, we clearly discern the growing importance of the new element—the support of the collective patron, the bourgeoisie public. In this as in every other respect, Voltaire affords an invaluable instance. His very superficiality that made it possible for him to cover everything from religion to Newtonian optics, allied to indomitable vitality and an insatiable curiosity, a perfect absence of inhibitions, an unerring instinct for and a wholesale acceptance of the humors of his time, enabled that unitary critic and meddler poet and historian to fascinate—and to sell. He also speculated, cheated, accepted gifts and appointments, but there was always the independence founded on the solid base of his success with the public. Rousseau's case and type, though entirely different, would be still more instructive to discuss.

In the last decades of the eighteenth and the first quarter of the nineteenth century a striking episode displayed the nature of the power of the free-lance intellectual who has nothing to work with but the socio-psychological mechanism called Public Opinion. This happened in England, the country that was then farthest advanced on the road of capitalist evolution. John Wilkes' attacks on the political system of England, it is true, were launched under uniquely favorable circumstances; moreover, it cannot be said that he actually upset the Earl of Bute's government which never had any chance and was bound to fall for a dozen other reasons; but Wilkes' North Briton was nevertheless the last straw that broke Lord Bute's political back. No. 45 of the North Briton was the first discharge in a campaign that secured the abolition of general warrants and made a great stride toward the freedom of the press and of elections. This does not amount to making history or to creating the conditions for a change in social institutions, but it does amount to playing, say, the role of a midwife's assistant.1 The inability of Wilkes' enemies to thwart him is the most significant fact

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1I do not fear that any historian of politics will find that I have exaggerated the importance of Wilkes' success. But I do fear objection to my calling him a free lance and to the implication that he owed everything to the collective, and nothing to any individual patron. In his beginings he was no doubt encouraged by a patron. On examination it will however be conceded, I think, that this was not of decisive importance and that all the support and all the money and honors he got afterwards were but a consequence of and tribute to previous success and to a position independently acquired with the public.
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about it all. They evidently had all the power of organized government at their command. Yet something drove them back.

In France, the years preceding the revolution and the revolution itself brought the rabble-raising tabloid (Marat, Desmoulins), which however did not, like ours, completely jetison style and grammar. But we must hurry on. The Terror and, more systematically, the First Empire put an end to this. Then followed a period, interrupted by the rule of the roi bourgeois, of more or less relative repression that lasted until the Second Empire felt compelled to loosen the reins—about the middle sixties. In central and southern Europe this period also lasted about as long, and in England analogous conditions prevailed from the beginning of the revolutionary war to Canning's accession to power.

However impossible it is to stem the tide within the framework of capitalist society is shown by the failure of the attempts—some of them prolonged and determined—made during that period by practically all European governments to bring the intellectuals to heel! Their histories were nothing but so many different versions of Wilkes' exploits. In capitalist society—or in a society that contains a capitalist element of decisive importance—any attack on the intellectuals must run aground on the private fortresses of bourgeois business which, some of which, will shelter the quarry. Moreover such an attack must proceed according to bourgeois principles of legislative and administrative practice which no doubt may be stretched and bent but will checkmate prosecution beyond a certain point. Lawless violence the bourgeois stratum may accept or even applaud when thoroughly roused or frightened, but only temporarily. In a purely bourgeois regime like that of Louis Philippe, troops may fire on strikers, but the police cannot round up intellectuals or must release them forthwith; otherwise the bourgeois stratum, however strongly disapproving some of their doings, will rally behind them because the freedom it disapproves cannot be crushed without also crushing the freedom it appreciates.

Observe that I am not crediting the bourgeoisie with an unrealistic dose of generosity or idealism. Nor am I unduly stressing what people think and feel and want—on the importance of which I almost, though not quite, agree with Marx. In defending the intellectuals as a group—not of course every individual—the bourgeoisie defends itself and its scheme of life. Only a government of non-bourgeois nature and non-bourgeois creed—under modern circumstances only a socialist or fascist one—is strong enough to discipline them. In order to do that it would have to change typically bourgeois institutions and drastically reduce the individual freedom of all strata of the nation. And such a government is not likely—it would not even be able—to stop short of private enterprise.

From this follows both the unwillingness and the inability of the capitalistic order to control its intellectual sector effectively. The unwillingness in question is unwillingness to use methods consistently that are uncongenial to the mentality shaped by the capitalist process; the inability is the inability to do so within the frame of institutions shaped by the capitalist process and without submitting to non-bourgeois rule. Thus, on the one hand, freedom of public discussion involving freedom to nibble at the foundations of capitalistic society is inevitable in the long run. On the other hand, the intellectual group cannot help nibbling because it lives on criticism and its whole position depends on criticism that stings; and criticism of persons and of current events will, in a situation in which nothing is sacrosanct, fatally issue in criticism of classes and institutions.

5. A few strokes will complete the modern picture. There are the increasing means. There is the increase in the standard of life and in the leisure of the masses that changed and is still changing the composition of the collective patron for the tastes of whom the intellectuals have to provide. There was and is the further cheapening of the book and newspaper and the large-scale newspaper concern. There is now the radio. And there was and is the tendency toward complete removal of restraints, steadily breaking down those short-run attempts at resistance by which bourgeois society proves itself so incompetent and occasionally so childish a disciplinarian.

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The emergence and the career up to date of the large-scale newspaper concern illustrate two points which I am anxious to stress: first, manifold aspects, relations and effects of every concrete element of the social pattern that preclude simple and one-way propositions, and the importance of distinguishing short-run and long-run phenomena for which different, sometimes opposite, propositions hold true. The large-scale newspaper concern is in most cases simply a capitalist business enterprise. This does not imply that it espouses capitalism or any other class interests. It may do so, but only from one or more of the following motives, the limited importance of which is obvious: because it is subsidized by a capitalist group for the very purpose of advocating its interests or views—the larger the concern and its sales, the less important this element; because it intends to sell to a public of bourgeois tastes,—this, very important until about 1914, now increasingly of the other way; because advertisers prefer to use a congenial medium—mostly they take a very businesslike view of the matter; because the owners insist on a certain course irrespective of their interest in sales—to a certain extent, they do and especially did, but experience teaches that they do not hold out if the conflict with their pecuniary interest in sales is too severe. In other words, the large-scale newspaper concern is a most powerful tool for raising the position and increasing the influence of the intellectual group, but it is even now not completely in its control. It means employment to a wider public, but it also means "strings." These are mainly of importance in the short run; in fighting for greater freedom to do as he pleases the individual journalist may easily meet defeat. But this short-run aspect—and the group's recollection of past conditions—what enters the intellectual's mind and what determines the colour of the picture of slavery and martyrdom he draws for the public. In reality, it should be a picture of conquest. Conquest and victory are in this, as in so many other cases, a mosaic composed of defeats.
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There is, however, another factor. One of the most important features of the later stages of capitalist civilization is the vigorous expansion of the educational apparatus and particularly of the facilities for higher education. This development was and is no less inevitable than the development of the large-scale industrial unit, but, unlike the latter, it has been and is being fostered by public opinion and public authority so as to go much further than it would have done under its own steam. Whatever we may think of this from other standpoints and whatever the precise causation, there are several consequences that bear upon the size and attitude of the intellectual group.

First, inasmuch as higher education thus increases the supply of services in professional, quasi-professional and in the end all "white collar" lines beyond the point determined by cost-return considerations, it may create a particularly important case of sectional unemployment.

Second, along with or in place of such unemployment, it creates unsatisfactory conditions of employment—employment in substandard work or at wages below those of the better-paid manual workers.

Third, it may create unemployability of a particularly disconcerting type. The man who has gone through a college or university easily becomes psychically unemployable in manual occupations without necessarily acquiring employability in, say, professional work. His failure to do so may be due either to lack of natural ability—perfectly compatible with passing academic tests—or to inadequate teaching; and both cases will, absolutely and relatively, occur more frequently as ever larger numbers are drafted into higher education and as the required amount of teaching increases irrespective of how many teachers and scholars nature chooses to turn out. The results of neglecting this and of acting on the theory that schools, colleges and universities are just a matter of money, are too obvious to insist upon. Cases in which among a dozen applicants for a job, all formally qualified, there is not one who can fill it satisfactorily, are known to everyone who has anything to do with appointments—to everyone, that is, who is himself qualified to judge.

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All those who are unemployed or unsatisfactorily employed or unemployable drift into the vocation in which standards are least definite or in which aptitudes and acquirements of a different order count. They swell the host of intellectuals in the strict sense of the term whose numbers hence increase disproportionately. They enter in a thoroughly discontented frame of mind. Discontent breeds resentment. And it often rationalizes itself into that social criticism which as we have seen before is in any case the intellectual spectator's typical attitude toward men, classes and institutions especially in a rationalist and utilitarian civilization. Well, here we have numbers; a well-defined group situation of protestarian hue; and a group interest shaping a group attitude that will much more realistically account for hostility to the capitalist order than could the theory—itself a rationalization in the psychological sense—according to which the intellectual's righteous indignation about the wrongs of capitalism simply represents the logical inference from outrageous facts and which is no better than the theory of lovers that their feelings represent nothing but the logical inference from the virtues of the beloved. Moreover our theory also accounts for the fact that this hostility increases, instead of diminishing, with every achievement of capitalist evolution.

Of course, the hostility of the intellectual group,—amounting to moral disapproval of the capitalist order—is one thing, and the general hostile atmosphere which surrounds the capitalist engine is another thing. The latter is the really significant phenomenon; and it is not simply the product of the former but flows partly from independent sources, some of which have been mentioned before; so far as it does, it is raw material for the intellectual group to work on. There are give-and-take relations between the two which it would require more space to unravel than I can spare. The general contours of such an analysis are however sufficiently obvious and I think it safe to repeat that the role of the intellectual group consists primarily in stimulating, energizing, verbalizing and organizing this material and only secondarily in adding to it. Some particular aspects will illustrate the principle.

6. Capitalist evolution produces a labor movement which obviously is not the creation of the intellectual group. But it is not surprising that such an opportunity and the intellectual demigow should find each other. Labor never craved intellectual leadership but intellectuals invaded labor politics. They had an important contribution to make:

8 At present this development is viewed by most people from the standpoint of the ideal of making educational facilities of any type available to all who can be induced to use them. This ideal is so strongly held that any doubts about it are almost universally considered to be nothing short of indecent, a situation not improved by the comments, all too often flippancy, of dissenters. Actually, we brush here against a set of extremely complex problems of the sociology of education and educational ideals which we cannot attack within the limits of this sketch. This is why I have confined the above paragraph to two incontestable and noncommittal trivialities that are all we want for the purpose in hand. But of course they do not dispose of the larger problems which must be left aside to testify to the incompleteness of my exposition.

9 The reader will observe that any such theories would be unrealistic even if the facts of capitalism or the virtues of the beloved were actually all that the social critic or the lover believes them to be. It is also important to note that in the overwhelming majority of cases both critics and lovers are obviously sincere; neither psycho-sociological nor psycho-physical mechanisms enter as a rule into the life of the Ego, except in the mask of sublimations.
they verbalized the movement, supplied theories and slogans for it—class war is an excellent example—made it conscious of itself and in doing so changed its meaning. In solving this task from their own standpoint, they naturally radicalized it, eventually imparting a revolutionary bias to the most bourgeois trade-union practices, a bias most of the non-intellectual leaders at first greatly resented. But there was another reason for this. Listening to the intellectual, the workman is almost invariably conscious of an impassable gulf if not of downright distrust. In order to get hold of him and to compete with non-intellectual leaders, the intellectual is driven to courses entirely unnecessary for the latter who can afford to frown. Having no genuine authority and feeling always in danger of being unceremoniously told to mind his own business, he must flatter, promise and incite, nurse left wings and scowling minorities, sponsor doubtful or submarginal cases, appeal to fringe ends, profess himself ready to obey—in short, behave toward the masses as his predecessors behaved first toward their ecclesiastical superiors, later toward princes and other individual patrons, still later toward the collective master of bourgeois complexion. Thus, though intellectuals have not created the labor movement, they have yet worked it up into something that differs substantially from what it would be without them.

The social atmosphere, for the theory of which we have been gathering stones and mortar, explains why public policy grows more and more hostile to capitalist interests, eventually so much so as to refuse on principle to take account of the requirements of the capitalist engine and to become a serious impediment to its functioning. The intellectual group's activities have however a relation to anti-capitalist policies that is more direct than what is implied in their share in verbalizing them. Intellectuals rarely enter professional politics and still more rarely conquer responsible office. But they staff political bureaus, write party pamphlets and speeches, act as secretaries and advisers, make the individual politician's newspaper reputation which, though it is not everything, few men can afford to neglect. In doing these things they to some extent impress their mentality on almost everything that is being done.

The actual influence exerted varies greatly with the state of the political game from mere formulation to making a measure politically possible or impossible. But there is always plenty of scope for it. When we say that individual politicians and parties are exponents of class interests we are at best emphasizing one-half of the truth. The other half, just as important if not more so, comes into view when we consider that politics is a profession which evolves interests of its own—interests that may clash with as well as conform to the interests of the

12 This of course is just as true of the intellectuals themselves with respect to the class from which they come or to which, economically and culturally, they belong. The subject will be taken up again in Ch. xxliii.

13 For examples see Ch. xxvi.
CHAPTER XIV

DECOMPOSITION

1. Faced by the increasing hostility of the environment and by the legislative, administrative, and judicial practice born of that hostility, entrepreneurs and capitalists—in fact the whole stratum that accepts the bourgeois scheme of life—will eventually cease to function. Their standard aims are rapidly becoming unattainable, their efforts fruitless. The most glamorous of these bourgeois aims, the foundation of an industrial dynasty, has in most countries become unattainable already, and even more modest ones are so difficult to attain that they may cease to be thought worth the struggle as the permanence of these conditions is being increasingly realized.

Considering the role of bourgeois motivation in the explanation of the economic history of the last two or three centuries, its smothering by the unfavorable reactions of society or its weakening by disease no doubt constitutes a factor adequate to explain a flop in the capitalist process—should we ever observe it as a permanent phenomenon—and one that is much more important than any of those that are presented by the Theory of Vanishing Investment Opportunity. It is hence interesting to observe that that motivation not only is threatened by forces external to the bourgeois mind but that it also tends to die out from internal causes. There is of course close interdependence between the two. But we cannot get at the true diagnosis unless we try to disentangle them.

One of those "internal causes" we have already met with. I have dubbed it Evaporation of the Substance of Property. We have seen that, normally, the modern businessman, whether entrepreneur or mere managing administrator, is of the executive type. From the logic of his position he acquires something of the psychology of the salaried employee working in a bureaucratic organization. Whether a stockholder or not, his will to fight and to hold on is not and cannot be what it was with the man who knew ownership and its responsibilities in the full-blooded sense of these words. His system of values and his conception of duty undergo a profound change. More stockholders of course have ceased to count at all—quite independently of the clipping of their share by a regulating and taxing state. Thus the modern corporation, although the product of the capitalist process, socializes the bourgeois mind; it relentlessly narrows the scope of capitalist motivation; not only that, it will eventually kill its roots.¹

¹ Many people will deny this. This is due to the fact that they derive their impression from past history and from the slogans generated by past history during

2. Still more important however is another "internal cause," viz., the disintegration of the bourgeois family. The facts to which I am referring are too well known to need explicit statement. To men and women in modern capitalist societies, family life and parenthood mean less than they meant before and hence are less powerful molds of behavior; the rebellious son or daughter who professes contempt for "Victorian" standards is, however incorrectly, expressing an undeniable truth. The weight of these facts is not impaired by our inability to measure them statistically. The marriage rate proves nothing because the term Marriage covers as many sociological meanings as does the term Property, and the kind of alliance that used to be formed by the marriage contract may completely die out without any change in the legal construction or in the frequency of the contract. Nor is the divorce rate more significant. It does not matter how many marriages are dissolved by judicial decree—what matters is how many lack the content essential to the old pattern. If in our statistical age readers insist on a statistical measure, the proportion of marriages that produce no children or only one child, though still inadequate to quantify the phenomenon I mean, might come as near as we can hope to come to indicating its numerical importance. The phenomenon by now extends, more or less, to all classes. But it first appeared in the bourgeois (and intellectual) stratum and its symptomatic as well as causal value for our purposes lies entirely there. It is wholly attributable to the rationalization of everything in life, which we have seen is one of the effects of capitalist evolution. In fact, it is but one of the results of the spread of that rationalization to the sphere of private life. All the other factors which are usually adduced in explanation can be readily reduced to that one.

As soon as men and women learn the utilitarian lesson and refuse to take for granted the traditional arrangements that their social environment makes for them, as soon as they acquire the habit of weighing the individual advantages and disadvantages of any prospective course of action, or, as we might also put it, as soon as they introduce into their private life a sort of inarticulate system of cost accounting—they cannot fail to become aware of the heavy personal sacrifices that family ties and especially parenthood entail under modern conditions and of the fact that at the same time, excepting the cases of farmers and peasants, children cease to be economic assets. These sacrifices do not consist only of the items that come within the reach of the measuring rod of money but comprise in addition an indefinite which the institutional change brought about by the big corporation had not yet asserted itself. Also they may think of the scope which corporate business need to give for illegal satisfactions of the capitalist motivation. But that would cut my way: the fact that personal gains beyond salary and bonus cannot, in corporate business, be reaped by executives except by illegal or semi-illegal practices shows precisely that the structural idea of the corporation is averse to it.
amount of loss of comfort, of freedom from care, and opportunity to enjoy alternatives of increasing attractiveness and variety—alternatives to be compared with theJoys of parenthood that are being subjected to a critical analysis of increasing severity. The implication of this is not weakened but strengthened by the fact that the balance sheet is likely to be incomplete, perhaps even fundamentally wrong. For the greatest of the assets, the contribution made by parenthood to physical and mental health—to “normality” as we might express it—particularly in the case of women, almost invariably escapes the rational searchlight of modern individuals who, in private as in public life, tend to focus attention on ascertainable details of immediate utilitarian relevance and to sneer at the idea of hidden necessities of human nature or of the social organism. The point I wish to convey is, I think, clear without further elaboration. It may be summed up in the question that is so clearly in many potential parents’ minds: “Why should we stunt our ambitions and impoverish our lives in order to be insured and look down upon in our old age?”

While the capitalist process, by virtue of the psychic attitudes it creates, progressively dims the values of family life and removes the conscientious inhibitions that an old moral tradition would have put in the way toward a different scheme of life, it at the same time implements the new tastes. As regards childlessness, capitalist inventiveness produces contraceptive devices of ever-increasing efficiency that overcome the resistance which the strongest impulse of man would otherwise have put up. As regards the style of life, capitalist evolution decreases the desirability of, and provides alternatives to, the bourgeois family home. I have previously adverted to the Evaporation of Industrial Property. I have now to advert to the Evaporation of Consumers’ Property.

Until the later decades of the nineteenth century, the town house and the country place were everywhere not only pleasant and convenient shells of private life on the higher levels of income, but they were indispensable. Not only hospitality on any scale and in any style, but even the comfort, dignity, repose and refinement of the family depended upon its having an adequate foyer of its own that was adequately staffed. The arrangements summarized by the term Home were accordingly accepted as a matter of course by the average man and woman of bourgeois standing, exactly as they looked upon marriage and children—the “founding of a family”—as a matter of course.

Now, on the one hand, the amenities of the bourgeois home are becoming less obvious than are its burdens. To the critical eye of a critical age it is likely to appear primarily as a source of trouble and expense which frequently fail to justify themselves. This would be so even independently of modern taxation and wages and of the attitude of modern household personnel, all of which are typical results of the capitalist process and of course greatly strengthen the case against what in the near future will be almost universally recognized as an outmoded and uneconomical way of life. In this respect as in others we are living in a transitional stage. The average family of bourgeois standing tends to reduce the difficulties of running the big house and the big country place by substituting for it small and mechanized establishments plus a maximum of outside service and outside life—hospitality in particular being increasingly shifted to the restaurant or club.

On the other hand, the home of the old type is no longer an indispensable requirement of comfortable and refined living in the bourgeois sphere. The apartment house and the apartment hotel represent a rationalized type of abode and another style of life which when fully developed will no doubt meet the new situation and provide all the essentials of comfort and refinement. To be sure, neither that style nor its shell are fully developed anywhere as yet, and they proffer cost advantage only if we count in the trouble and annoyance incident to running a modern home. But other advantages they proffer already—the facility of using to the full the variety of modern enjoyments, of travel, of steady mobility, of shifting the load of the current little things of existence to the powerful shoulders of highly specialized organizations.

It is easy to see how this in turn bears, in the upper strata of capitalist society, upon the problems of the child. Again there is interaction: the passing of the spacious home—in which alone the rich life of a numerous family can unfold—and the increasing friction with which it functions supply another motive for avoiding the cares of parenthood; but the decline of philoprogenitiveness in turn renders the spacious home less worth while.

I have said that the new style of bourgeois life does not as yet offer any decisive cost advantage. But this refers only to the current or prime costs of servicing the wants of private life. As to overhead, even the purely pecuniary advantage is obvious already. And inasmuch as the outlay on the most durable elements of home life—especially the house, the pictures, the furniture—used to be financed mainly from previous earnings we may say that the need for accumulation of “consumers’ capital” is drastically reduced by that process. This does not mean of course that demand for “consumers’ capital” is at present, even relatively, smaller than it was; the increasing demand for durable consumers’ goods from small and medium incomes more than counterbalances this effect. But it does mean that, so far as the hedonistic component in the pattern of acquisitive motives is concerned, the desirability of incomes beyond a certain level is reduced. In order to satisfy

* Modern relations between parents and children are of course partly conditioned by the crumbling of that steady frame of family life.
himself of this, the reader need only visualize the situation in a thoroughly practical spirit: the successful man or couple or the "society" man or couple who can pay for the best available accommodation in hotel, ship and train, and for the best available qualities of the objects of personal consumption and use—which qualities are increasingly being turned out by the conveyor of mass production—will, things being what they are, as a rule have all they want with any intensity for themselves. And it is easy to see that a budget framed on those lines will be far below the requirements of a "secignorial" style of life.

3. In order to realize what all this means for the efficiency of the capitalist engine of production we need only recall that the family and the family home used to be the mainspring of the typically bourgeois kind of profit motive. Economists have not always given due weight to this fact. When we look more closely at their idea of the self-interest of entrepreneurs and capitalists we cannot fail to discover that the results it was supposed to produce are really not at all what one would expect from the rational self-interest of the detached individual or the childless couple who no longer look at the world through the windows of a family home. Consciously or unconsciously they analyzed the behavior of the man whose views and motives are shaped by such a home and who means to work and to save primarily for wife and children. As soon as these fade out from the moral vision of the businessman, we have a different kind of homo oeconomicus before us who cares for different things and acts in different ways. For him and from the standpoint of his individualistic utilitarianism, the behavior of that old type would in fact be completely irrational. He loses the only sort of romance and heroism that is left in the unromantic and unheroic civilization of capitalism—the heroism of navigare nescere est, vivere non nescere est. And he loses the capitalist ethics that enjoins working for the future irrespective of whether or not one is going to harvest the crop oneself.

The last point may be put more tellingly. In the preceding chapter it was observed that the capitalist order entrusts the long-run interests of society to the upper strata of the bourgeoisie. They are really entrusted to the family motive operative in those strata. The bourgeoisie worked primarily in order to invest, and it was not so much a standard of consumption as a standard of accumulation that the bourgeoisie struggled for and tried to defend against governments that took the

1 Effects on consumers’ budgets of the increasing eligibility of mass-produced articles are enhanced by the price difference between them and the corresponding custom-made articles which increases owing to the increase in wages pari passu with the decrease in the relative desirability of the latter; the capitalist process democratizes consumption.

4 "Navegando es necesario, viviendo es necesario." Inscription on an old house in Bremen.

short-run view. With the decline of the driving power supplied by the family motive, the businessman’s time-horizon shrinks, roughly, to his life expectation. And he might now be less willing than he was to fulfill that function of earning, saving and investing even if he saw no reason to fear that the results would but swell his tax bills. He drifts into an anti-saving frame of mind and accepts with an increasing readiness anti-saving theories that are indicative of a short-run philosophy.

But anti-saving theories are not all that he accepts. With a different attitude to the concern he works for and with a different scheme of private life he tends to acquire a different view of the values and standards of the capitalist order of things. Perhaps the most striking feature of this picture is the extent to which the bourgeois, besides educating his own enemies, allows itself in turn to be educated by them. It absorbs the slogans of current radicalism and seems quite willing to undergo a process of conversion to a creed hostile to its very existence. Halfingly and grudgingly it concedes in part the implications of that creed. This would be most astonishing and indeed very hard to explain were it not for the fact that the typical bourgeois is rapidly losing faith in his own creed. And this again becomes fully understandable as soon as we realize that the social conditions which account for its emergence are passing.

This is verified by the very characteristic manner in which particular capitalist interests and the bourgeoisie as a whole behave when facing direct attack. They talk and plead—or hire people to do it for them; they snatch at every chance of compromise; they are ever ready to give in; they never put up a fight under the flag of their own ideals and interests—in this country there was no real resistance anywhere against the imposition of crushing financial burdens during the last decade or against labor legislation incompatible with the effective management of industry. Now, as the reader will surely know by this time, I am far from overestimating the political power of either big business or the bourgeoisie in general. Moreover, I am prepared to make large allowances for cowardice. But still, means of defense were not entirely lacking as yet and history is full of examples of the success of small groups who, believing in their cause, were resolved to stand by their guns. The only explanation for the meekness we observe is that the bourgeoisie no longer makes any sense to the bourgeoisie itself and that, when all is said and nothing is done, it does not really care.

Thus the same economic process that undermines the position of the bourgeoisie by decreasing the importance of the functions of entre-

5 It has been said that in economic matters “the state can take the longer view.” But excepting certain matters outside of party politics such as conservation of natural resources, it hardly ever does.
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Entrepreneurs and capitalists, by breaking up protective strata and institutions, by creating an atmosphere of hostility, also decomposes the motor forces of capitalism from within. Nothing else shows so well that the capitalist order not only rests on props made of extra-capitalist material but also derives its energy from extra-capitalist patterns of behavior which at the same time it is bound to destroy.

We have rediscovered what from different standpoints and, so I believe, on inadequate grounds has often been discovered before: there is inherent in the capitalist system a tendency toward self-destruction which, in its earlier stages, may well assert itself in the form of a tendency toward retardation of progress.

I shall not stay to repeat how objective and subjective, economic and extra-economic factors, reinforcing each other in imposing accord, contribute to that result. Nor shall I stay to show what should be obvious and in subsequent chapters will become more obvious still, viz., that those factors make not only for the destruction of the capitalist but for the emergence of a socialist civilization. They all point in that direction. The capitalist process not only destroys its own institutional framework but it also creates the conditions for another. Destruction may not be the right word after all. Perhaps I should have spoken of transformation. The outcome of the process is not simply a void that could be filled by whatever might happen to turn up; things and souls are transformed in such a way as to become increasingly amenable to the socialist form of life. With every peg from under the capitalist structure vanishes an impossibility of the socialist plan. In both these respects Marx’s vision was right. We can also agree with him in linking the particular social transformation that goes on under our eyes with an economic process as its prime mover. What our analysis, if correct, disproves is after all of secondary importance, however essential the role may be which it plays in the socialist credo. In the end there is not so much difference as one might think between saying that the decay of capitalism is due to its success and saying that it is due to its failure.

But our answer to the question that heads this part posits far more problems than it solves. In view of what is to follow in this book, the reader should bear in mind:

First, that so far we have not learned anything about the kind of socialism that may be looming in the future. For Marx and for most of his followers—and this was and is one of the most serious shortcomings of their doctrine—socialism meant just one definite thing. But the definiteness really goes no further than nationalization of industry would carry us and with this an indefinite variety of economic and cultural possibilities will be seen to be compatible.

Second, that similarly we know nothing as yet about the precise way by which socialism may be expected to come except that there must be a great many possibilities ranging from a gradual bureaucratisation to the most picturesque revolution. Strictly speaking we do not even know whether socialism will actually come to stay. For to repeat: perceiving a tendency and visualizing the goal of it is one thing and predicting that this goal will actually be reached and that the resulting state of things will be workable, let alone permanent, is quite another thing. Before humanity chokes (or bask) in the dungeon (or paradise) of socialism it may well burn up in the horrors (or glories) of imperialist wars.

Third, that the various components of the tendency we have been trying to describe, while everywhere discernible, have as yet nowhere fully revealed themselves. Things have gone to different lengths in different countries but in no country far enough to allow us to say with any confidence precisely how far they will go, or to assert that their “underlying trend” has grown too strong to be subject to anything more serious than temporary reverses. Industrial integration is far from being complete. Competition, actual and potential, is still a major factor in any business situation. Enterprise is still active, the leadership of the bourgeois group still the prime mover of the economic process. The middle class is still a political power. Bourgeois standards and bourgeois motivations though being increasingly impaired are still alive. Survival of traditions—and family ownership of controlling parcels of stock—still make many an executive behave as the owner-manager did of old. The bourgeois family has not yet died; in fact, it clings to life so tenaciously that no responsible politician has as yet dared to touch it by any method other than taxation. From the standpoint of immediate practice as well as for the purposes of short-run forecasting—and in these things, a century is a “short run”—all this surface may be more important than the tendency toward another civilization that slowly works deep down below.

*Written in the summer of 1935.

1 This is why the facts and arguments presented in this and the two preceding chapters do not invalidate my reasoning about the possible economic results of another fifty years of capitalist evolution. The thirties may well turn out to have been the last gasp of capitalism—the likelihood of this is of course greatly increased by the current war. But again they may not. In any case there are no purely economic reasons why capitalism should not have another successful run which is all I wished to establish.

Decomposition

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