# A New Social Question

# A New Social Question:

## *Capitalism, Socialism and Utopia*

Edited by

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A New Social Question: Capitalism, Socialism and Utopia

Edited by Casey Harison

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# TABLE OF CONTENTS

List of Tables ..... vii

Acknowledgements ..... viii

Introduction ..... 1
*Casey Harison*

**Part I: Capitalism**

Chapter One ..... 8
John Stuart Mill's Analysis of Capitalism and the Road to Socialism
*Helen McCabe*

Chapter Two ..... 27
"The Right to Aspire to Everything": Entering the Capitalist Economy in Nineteenth-Century France
*Emily C. Teising*

Chapter Three ..... 43
From Utopian Socialism to Utopian Capitalism in the American Individualist Republic
*Susan Love Brown*

Chapter Four ..... 64
The Divine Right of Things: On the "Impersonal Dependence" of Capitalism
*Paul Christopher Gray*

Chapter Five ..... 85
Rediscovering Inequality: From Bush to Piketty
*Leonard Williams, John Deal and Matthew Hendryx*

**Part II: Socialism**

Chapter Six ..... 108
The Capitalism, Christian Communism and Communitarian Socialism of New Harmony's Founders George Rapp and Robert Owen
*Donald E. Pitzer*

Chapter Seven ..... 126
Alternative Currency, Warren's "Time Store" and an Inquiry into Arendtian Labor
*Robert Geroux*

Chapter Eight ..... 144
Proudhon as a Guide to Socialism with a Human Face
*Neil Wright*

Chapter Nine ..... 164
Cybernetic Socialism and the Technological Singularity
*Ted Goertzel*

**Part III: Utopia**

Chapter Ten ..... 184
Engels, Owen and Utopianism—Then and Now
*Joe White*

Chapter Eleven ..... 198
Seeking a Better Life: A Study of Utopian Communities Proposed by Robert Owen and Edward Bellamy
*Annette M. Magid*

Chapter Twelve ..... 218
Utopia and Apocalypse Now: (Re)Producing Meta-Narrative in America
*Jeremy Buesink*

Chapter Thirteen ..... 238
Utopia and the Marxian Critique of Political Economy
*David F. Ruccio*

Contributors ..... 262

# LIST OF TABLES

Top Income Shares and Average Incomes. United States. 1975-2013.

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# INTRODUCTION

CASEY HARISON

In November 2014, the University of Southern Indiana's Center for Communal Studies sponsored the conference on "Capitalism & Socialism: Utopia, Globalization and Revolution" at New Harmony, Indiana as part of the bicentennial celebration of New Harmony's founding by German Harmonists in 1814. The Harmonists are fairly well known, at least among scholars, but New Harmony is probably most famous as the site of industrialist Robert Owen's experiment in communal living in 1825, and it was especially the legacy of Owen that animated the proceedings and drew participants from across the Atlantic to this small town in southwest Indiana.

When the conversation about how to celebrate New Harmony's bicentennial began, the possibility of the Center organizing a conference around the theme of "capitalism and socialism" came up. This seemed a great idea–a topic very much befitting New Harmony's history, a good way to attract scholars who otherwise were probably unfamiliar with the Center for Communal Studies, and timely because the effects of the Great Recession were still with us. Indeed by the second decade of the twenty-first century, some of the momentous issues of Robert Owen's day had again come to feel relevant in ways they had not for a generation or more. As a factory owner and manager in early nineteenth-century New Lanark, Scotland, Owen was a "success" in the new regime of modern capitalism. But as a critical observer of the effects of industrialization, he was also a committed reformer–one of the "utopian socialists" mentioned by Marx whose ideas were tremendously influential in his day. The thinking in planning the conference was that Owen's work and the experiment he pursued at New Harmony again had currency as the world looked back on the 2008 economic crisis and as socialism, seemingly banished with the failure of Communist states in Eastern Europe and the former Soviet Union at the end of the last century, has returned to the political and economic lexicon.

As the planning for the conference proceeded, more than one person pointed out that it appeared that in coming up with a title we had just

"strung together a bunch of big words." And in a way this was true, though we did so with the sense that the words–some of which did not exist or had only recently begun to show up in dictionaries in Owen's day–represented modern ideas with origins mostly in the eighteenth century, whose promise Owen sought to understand in his own time and as we are still trying to sort them out nearly two centuries later. The processes represented by the words in the conference title–"capitalism," "socialism," "utopia," "globalization," "revolution"–were at the heart of what was called the "Social Question" when Owen arrived at New Harmony in 1825.

For Robert Owen and his contemporaries, the Social Question was part and parcel of the "industrializing" revolution for which Owen himself was as much responsible as any factory owner of his day. The status of the industrial working class–their living and working conditions in the nineteenth century's "age of pauperism," but also their political rights–were central to the original Social Question as the phrase gained currency in Western Europe and then the Americas in the first half of the nineteenth century.[1] Owen did not use the precise phrase in *A New View of Society* (1817) and *The Book of the New Model World* (1840), but the books are nonetheless filled with references to the "social" and to posing "questions" about the troubling condition of contemporary society. The modern social sciences represented among the chapters in this book took their shape during the second half of the nineteenth century partly as ways to understand and address the Social Question.

By the turn of the century and particularly after the First World War, the way of thinking about modernity represented by the Social Question faded as chattel slavery was abolished in those corners of the world where it persisted, and as political rights were won by workers, peasants and women. In the twentieth century, technology promised ways to improve the standard of living across the globe, while Marxism-Leninism and the great revolutions in Russia and China offered universal solutions to the on-going problems of modernity. By the 1930s, "Social Question" seemed like an old-fashioned way to formulate a plan for changing the world for the better.

Yet the underlying questions about how to live in the modern world did not fade away. Since the end of the Cold War, scholars have once more taken up the Social Question as they have updated the phrase's application. Pierre Rosanvallon, for one, formulated a "New Social Question" in terms of the "crisis" of the welfare state that began in the 1970s. He argues that socialism, which seemed an answer to the Social Question for part of the nineteenth and twentieth centuries, is no longer an

option because of its' "deterioration… deriv(-ing) almost directly from the philosophical crisis of the welfare state."[2] For Rosanvallon, there has been a shift in the direction and the potential "answers" of Social Question in the second half of the twentieth century, but for other scholars who use the phrase it mostly continues to stand for alternatives to capitalism.[3] Today the Social Question is less about gaining the right to vote for an industrial working class and more about guaranteeing the broader range of universal human rights for all. It is less about the path down which industry is carrying humanity and more about using technology and the sciences to raise the standard of living for the disadvantaged. Where the idea of sustainability was only implicit in the nineteenth century's Social Question, it is explicit in the twenty-first century's New Social Question.

We did not use the phrase in our conference title, but the idea of the Social Question was there in the panels at New Harmony. In hindsight, we can say that the bicentennial celebration at New Harmony offered a small opportunity to return to the Social Question and the fundamental issues that framed Robert Owen's mental landscape, as they do for an even more integrated world today. We hoped that the conference and this book, which draws from papers presented at New Harmony, might represent, to borrow a phrase from Erik Olin Wright, a moment of "emancipatory social science."[4] The issues explored here include the globalizing aspirations of capitalism and socialism; the paths, including reform or revolution, toward capitalism or socialism; the degree to which the promises of material well-being and fulfilled political lives born of these siblings of the Enlightenment and Industrial Revolutions remain achievable; and, finally, the opportunity to simply imagine "utopian" alternatives to the status quo. These are all aspects of *A New Social Question*.

Contributors to this volume come from fields in the social sciences and humanities. The coverage is transatlantic, with topics and authors from North America and Europe. The book is organized into sections on "capitalism," "socialism" and "utopia." Within sections, chapters are arranged chronologically. Particular topics include individual thinkers and theorists from the nineteenth century–Robert Owen, Karl Marx, Frederick Engels, John Stuart Mill and Pierre-Joseph Proudhon–as well as analysis of contemporary topics, including the recent work of economist Thomas Piketty. Other chapters take up the interplay of religion, economics and "cybernetics" within these globalizing systems. The final section on "utopia" presents a synthesis on capitalism and socialism, concluding with a "Marxian critique of utopia."

With the collapse of the Soviet Union and Stalinist states across Eastern Europe a generation ago, it felt, as one scholar famously put it at

the time that we had reached "the end of history."[5] The questions and contests that had animated university life, as they had defined politics and economics across the Atlantic and beyond for the previous two centuries, seemed to have been settled. But of course this was not really the case. As Joyce Appleby, David Harvey and Thomas Piketty have lately reminded us, capitalism, particularly the forms it has assumed since 1945, is probably exceptional, perhaps ephemeral, but also dynamic and resilient.[6] If the Great Recession derailed personal lives, destabilized economies and unnerved politicians, it also reminded us that we have not reached the end of history. Where there was once a Social Question, there is now a New Social Question. The great questions of modernity, of capitalism and socialism, that troubled Robert Owen and inspired him to test his ideas for an alternative, "utopian" future along the banks of the Wabash River on what was then the frontier of the United States, persist, as they also provide an opportunity in this book to once again re-consider these enduring subjects.

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## Notes

[1] Hermann Beck, *The Origins of the Authoritarian Welfare State in Prussia: Conservatives, Bureaucracy, and the Social Question, 1815-1870* (Ann Arbor: University of Michigan Press, 1995), 2. Google Books Ngram Viewers using the phrases "social question" (English) and "la question sociale" (French) show usage of the phrase beginning in the early 1840s and reaching peaks in English-language texts around 1880 and French-language texts around 1900; http://books.Google.com/ngrams.

[2] Rosanvallon, *The New Social Question: Rethinking the Welfare State*, tr. Barbara Harshau (Princeton: Princeton University Press, 2000), 108.

[3] See, for instance, Ive Marx, *A New Social Question: On Minimum Income Protection in the Postindustrial Era* (Amsterdam: Amsterdam University Press, 2007); Doulgas Moggach and Paul Leduc Browne, eds., *The Social Question and the Democratic Revolution: Marx and the Legacy of 1848* (Ottawa: University of Ottawa Press, 2000); Robert Castel, *From Manual Workers to Wage Laborers: Transformation of the Social Question*, tr. and ed., Richard Boyd (New Brunswick, NJ: Transaction Publishers, 2003); and T.G. Masaryk, *Masaryk on Marx: An Unabridged Edition of T.G. Masaryk: The Social Question: Philosophical and Sociological Foundations of Marxism*, tr. and ed. Erazim V. Kohák (Lewisburg, PA: Bucknell University press, 1972).

[4] Erik Olin Wright, *Envisioning Real Utopias* (New York: Verso, 2010).

[5] Francis Fukuyama, *End of History and the Last Man* (New York: Free Press, 1992).

[6] Appleby, *The Relentless Revolution: A History of Capitalism* (New York: Norton, 2011); Harvey, *Seventeen Contradictions and the End of Capitalism* (Oxford: Oxford University Press, 2015); Piketty, *Capital in the Twenty-First Century*, tr. Arthur Goldhammer (New York: Belknap Press, 2014)

# PART I:

# CAPITALISM

# CHAPTER ONE

# JOHN STUART MILL'S ANALYSIS OF CAPITALISM AND THE ROAD TO SOCIALISM

HELEN MCCABE

In *Principles of Political Economy*, John Stuart Mill both provides an assessment of the workability and desirability of some prominent contemporary forms of socialism, and sketches his own view of how society might be transformed from capitalism into socialism.[1] His assessment of contemporary forms of socialism–particularly Owenite communism, Saint-Simonism and Fourierism–in the main determines, not that the schemes are themselves wholly unworkable, nor that the criticisms socialists level against contemporary capitalism are entirely unwarranted, but that a better solution could be found which would also not involve their potential problems (particularly for the free development of individuality).[2] Co-operative socialism, which avoids these problems, whilst also providing solutions to the problems of capitalism, is far more favorably reviewed.[3] It is true that Mill's language regarding the transformation of capitalism is possibilistic rather than deterministic or normatively prescriptive (often using "may" rather than, say, "will"), but there are both clues in his work that he thought some of these changes *would* come about (perhaps so long as dominant class-interest did not actively seek to prevent it), and that it *should*–after all, Mill describes a similar set of reforms as his "Utopia" and declared that, by the mid-1840s, his political philosophy was "under the general designation of Socialist".[4]

Although the Saint-Simonian scheme called for state-wide adoption of socialism, and the Owenite and Fourierist schemes Mill assessed called for small intentional communities (such as that planned at New Harmony), they were linked by their demand for whole-scale adoption of socialism, and, therefore, for total, immediate, root-and-branch reform.[5] Mill's preferred model of transformation to socialism is piece-meal, peaceful, small-scale, incremental, voluntaristic, organic and grass-roots-led–but his proposed, and favored, transformation is no-less radical or, in the end,

wide-reaching. Although wary of being too prescriptive, the socialist proposals Mill did make, ultimately, call for some state-action, provision and ownership (at both national and local level), alongside agricultural and industrial producer- and consumer-cooperatives, which could be as communal in their living arrangements as members wished, and which would implement just distributions of the surpluses of co-operation according to principles of justice democratically determined by all members.[6] He also envisaged radical reform to the family, to religion, to the social ethos and, ultimately, to human nature itself.[7] In this chapter I wish to sketch, firstly, Mill's analysis of capitalism, and, secondly, his preferred road to socialism.

## Mill's Changing Political Theory and Philosophy of History: Opening up the Possibility for Social Progress beyond Liberalism

Firstly, however, a word concerning Mill's owns "road" to a critical analysis of capitalism, and the transition to socialism. In his youth, Mill believed his father (James Mill) and Jeremy Bentham (amongst others) had discovered the complete program for desirable social change, and that, if their philosophic-radical proposals were instituted in and by government, the end-state of social improvement would be achieved.[8] There was neither the space within these reforms for anything approaching socialism, nor any scope for considering possible social improvement beyond this program.[9] This is clearly to be seen in his debates against Owenites in the early 1820s, where Mill, though professing to share their ultimate endeavor of alleviating the plight of the poor, and evidently sharing much of their feminism, forthrightly declares that the resources involved in setting up Owenite intentional communities would be much better spent on directly improving education; on political reform to trade, and to aristocratic and religious privilege; and on setting up representative government by universal personhood suffrage.[10] There is no real criticism of capitalism, for poverty is seen as the fault of old, and out-dated, institutions such as monarchy, aristocracy, and established religion, all of which lead to bad government run in the interests of the few, alongside poor education, particularly concerning population control. The very need to transition to socialism is denied: philosophic-radicalism will be enough.

But Mill lost his childhood faith during what he calls "a crisis" in his "mental history", and developed some independent ideas of what means and methods to adopt in order to achieve utility (which remained the ultimate goal of social improvement), as well as to what "utility" meant.[11]

In addition, in adopting a new view of history from the Saint-Simonians (socialists with whom he came into contact in the early 1830s) a new horizon appeared, beyond the current "critical" age, in which there were new possibilities not only for social reform and improvement but for the institutions and social ethos (or ideology) which they would bring about.[12]

## The Saint-Simonians and Mill's Changing Philosophy of History

The Saint-Simonians proposed that history was split into two distinct types of "age" – "organic" and "critical".[13] In organic ages, there was an over-arching ideology (religious, political, social, scientific etc.) which adequately explained the world and which was near-universally adhered to.[14] It supported, and was supported by, a particular set of social, political, religious and economic institutions.[15] For instance, the European Middle Ages was an organic age in which a particular near-universally believed ideology was (repeatedly re-)generated and supported by institutions whose legitimacy and "naturalness" it, in turn, explained.[16] But over time, Mill took the Saint-Simonians to explain, humanity progressed (socially, intellectually, technologically, politically), and these institutions, and their attendant ideology, were no longer either suitable or able to adequately explain the world.[17] Thus society entered a "critical" age (e.g. the Reformation), where faith was lost in both institutions and ideology; where the institutions were torn down; and in which, slowly, a new organic age was built upon the ashes of the former one.[18] This, Mill believed, could last a long time, as can be seen by his identification of the Reformation and French Revolution both belonging to the same critical age in which he found himself.[19]

As part of this change in his view of history, Mill came to identify his previous philosophic-radical ideas as being a necessary part of the work of the current critical age–they were, though, no longer all that could be said regarding social improvement. Instead, he saw at least a part of his role as a philosopher and reformer to be building the institutions and ideology of a new, organic age–a task which would take different proposals and ideas to his philosophic-radicalism, which was *only* suited to the current, critical age.[20]

It was his consideration of what that forthcoming organic age ought to look like, along with viewing contemporary capitalism and his previously-desired changes with newly-critical eyes, which took Mill down the "road" to socialism, a critical analysis to which I wish now to turn.

## Mill's Analysis of Capitalism

Evidently, Mill much preferred capitalism to feudalism–capitalism was more productive and efficient, offering a chance to eradicate poverty, and it went hand-in-hand with important advances in knowledge, and political and social reforms, such as representative government, civil liberties, and the destruction of inherited and established privilege. When faced with paternalist theorists, Mill clearly argued against what was being hailed as a "return" to feudal relations of dependence and protection as inappropriate, unsuitable and out-dated, as well as arguing that such relationships never really existed as anything other than exploitation, conquest and use of force.[21] Mill also defended capitalism–and particularly private ownership of articles of consumption and competition in the market for goods and services–against some of the charges laid against it by socialists. This said, however, Mill made his own criticisms of capitalism, and was by no means its whole-hearted supporter.[22]

Mill criticized capitalism on five fronts, which I will take in turn: liberty and independence; equality and social justice; inefficiency and wastage; relentless pursuit of growth; and social harmony and ethos.[23]

## Mill's Analysis of Capitalism on the Grounds of Liberty and Independence

Mill is, of course, most famous as the author of *On Liberty*, and it is worth recollecting that he asserts his "one very simple principle" against the prevailing social and political evils of contemporary capitalist society–one in which the (democratic) tyranny of the majority is liable to crush all individuality, eccentricity and difference.[24] Evidently, he thought that some forms of socialism (particularly communism) offered the same risks as contemporary capitalist society on this score, and that "the social problem of the future" would be "how to unite the greatest individual liberty of action, with … common ownership".[25] But it is worth bearing in mind that this was a problem contemporary capitalism faced just as much as any possible socialist future.

Indeed, Mill insists that the criticism of communism (by which he means socialist schemes involving communal ownership of property in *both* articles of consumption and the means of production) on the grounds of apparent lack of individual freedom is "vastly over-exaggerated."[26] "The restraints of Communism" he says "would be freedom in comparison with the present condition of the majority of the human race."[27] Under contemporary capitalism, most laborers have little or no choice of

occupation, or freedom of movement, and are "practically as dependent" on "fixed rules" and "the will of others" as they can be, short of slavery.[28] Moreover, half the world's population (women) live in "entire domestic subjection" (from which socialism aims to free them).[29] Against this, Mill declares himself in favor of the independence of the laboring classes, not just in terms of rejecting the paternalist the idea that the rich should be "*in loco parentis* to the poor", but in the sense that laborers should be able to take responsibility and control over their own working conditions (firstly through profit-sharing, secondly through co-operation).[30] The poor ought to be able to think for themselves, and make decisions regarding "the determination of their destiny."[31] Indeed, this was a central element of his socialism, which was cooperative rather than communist. As others rightly argue, Mill saw co-operation as importantly extending liberty into the economic sphere, and one of the elements of his critical analysis of capitalism was that it did not make people as free as they might be.[32]

## Mill's Analysis of Capitalism on the Grounds of Equality and Social Justice

Mill was fiercely critical of contemporary capitalism on the grounds of equality and social justice.[33] At the start of "On the Probable Futurity Of the Labouring Classes", he expresses his dissatisfaction with the title of the chapter, which is "descriptive of an existing, but by no means a necessary or permanent, state of social relations" because he "do[es] not recognise as either just or salutary, a state of society in which there is any 'class' which is not labouring; any human beings, exempt from bearing their share of the necessary labors of human life, except those unable to labor, or who have fairly earned rest by previous toil".[34] This is not only a state of affairs which capitalism has not brought about–it has not *sought* to bring it about, and, indeed, could not bring it about.[35]

In contemporary capitalism, "some are born to riches and the vast majority to poverty", and this is unjust in itself, as is the fact that "the produce of labour ... [is] apportioned … almost in an inverse ratio to labour–the largest portions to those who have never worked at all, the next largest to those whose work is almost nominal, and so in a descending scale, the remuneration dwindling as the work grows harder and more disagreeable, until the most fatiguing and exhausting bodily labour cannot count with certainty on being able to earn even the necessaries of life".[36] Mill says even the problems of the least optimal kind of communism would be "as dust in the balance" compared to the injustices of contemporary capitalism, and emphasizes the inhumanity and cruelty of

capitalism when he likens the current economic system to a race declared by an evil Roman Emperor in which those "who came hindermost" would be put to death: "it would not be any diminution of the injustice," Mill insists, "that the strongest or nimblest would … be certain to escape. The misery and the crime would be that any were put to death at all". [37]

Mill also criticized contemporary capitalism for not even achieving the kind of justice it was designed to produce: the laws of private property, under contemporary capitalism, did not guarantee the laborer the fruits of his labor, but instead "have made property of things which never ought to be property, and absolute property where only a qualified property ought to exist. They have not held the balance fairly between human beings, but have heaped impediments upon some, to give advantage to others; they have purposely fostered inequalities, and prevented all from starting fair in the race."[38] Mill does not think that private property is *necessarily* unjust–indeed, he recognizes that it can be founded on an important claim of justice (securing for the laborer the fruit of his labor), though the current system of capitalism has done all it can to exacerbate the worst potential consequences of capitalism: inequality, poverty, injustice–but he endorses non-capitalistic principles of justice (such as "from each according to his capacities; to each according to his needs") as "higher" than those capitalism could possibly achieve.[39]

Of course, Mill does not seem to have thought that *all* these problems were inherent in the very nature of capitalism: he is, in part, criticizing legislation as having *exacerbated* the problems of capitalism.[40] And, as noted above, capitalism evidently has many advantages over feudalism, and is not guilty of all the charges socialists level at it. On the other hand, there *are* potential inequalities and injustices built into capitalism. As Mill notes, "[t]hat all should … start on perfectly equal terms, is inconsistent with any law of private property", and this is something he sees as an inherent problem.[41] He also criticizes what might seem to be fair distributions of income under capitalism–for instance, piece-work–as ultimately unjust as they give more to those who already have most.[42] Though some of his criticisms, therefore, are leveled at problems caused by current systems of capitalism, some are inherent in capitalism itself.

Capitalism, then–even an ideal form of capitalism–leads to inequality and social injustice. Although Mill suggests ways of improving capitalism, and thinks this would be the best thing to do immediately (rather than instantly implement full-scale socialism), this is no longer the "last word" in social improvement. Instead, Mill wants to radically alter social, political and economic institutions such that "the division of produce of labour … will be made by concert, on an acknowledged principle of

justice", and everyone will do their fair share in bearing the burdens of social co-operation: to transcend capitalism, that is, and adopt a form of socialism.[43]

## Mill's Analysis of Capitalism on the Grounds of Inefficiency and Waste

Although Mill disagreed with some socialists that competition was inefficient, he criticized capitalism as being inefficient for other reasons.[44] Mill thought that wage-labor under capitalism was prone to be unproductive, which is why he supported profit-sharing schemes and worker-owned-and-managed co-operatives.[45] He also criticized the inefficiency of distribution in contemporary capitalism, with the profit of "mere distributors" taking an "enormous portion of the produce of industry", and saw communistic modes of living, and organizing buying and selling, as much more efficient, as were co-operative wholesalers which cut-out middlemen.[46] Lastly, Mill criticized capitalism for the "prodigious inequality with which" the benefits of "unproductive labour" (such as the arts and luxury goods) are distributed, "the little worth of the objects to which the greater part of it is devoted, and the large share which falls to the lot of persons who render no equivalent service in return", which, he says, "are not incapable of being remedied".[47] Although there is a strong egalitarian element to this criticism, there is also an efficiency criticism, too–labor is being wasted on items "of little worth", and the benefits of it being spread less widely than they might be.

## Mill's Analysis of Capitalism on the Grounds of the Relentless Pursuit of Growth

Mill's predecessors in political economy had believed that society was inexorably progressing towards a "stationary state" in which there would be no further progress in technology, capital, "the productive arts" or wealth.[48] Life for the poor, in particular, in this state would be parlous.[49] Radically, Mill rejected this view.[50] Indeed, Mill felt it would be "on the whole, a very considerable improvement on our present condition".[51] Mill criticizes the relentless pursuit of riches which characterizes contemporary capitalist society–what he calls the "struggling to get on" by the "trampling, crushing, elbowing and treading on each other's heels which form the existing type of our social life"–and says that, although, if we are going to relentlessly pursue riches, it would be better if everyone had an equal opportunity to do it, it would be better still if, "while no one is poor,

no one desires to be richer, nor has any reasons to fear being thrust back, by the efforts of others to push themselves forward".[52] Moreover, Mill criticizes the very metric of success against which capitalist societies (and the people within them) measure themselves, saying "I know not why it should be a matter of congratulation that persons who are already richer than any one needs to be, should have doubled their means of consuming things which give little or no pleasure except as representative of wealth: or that numbers of individuals should pass over, every year, from the middle classes into a richer class, or from the class of the occupied rich to that of the unoccupied".[53] Indeed, he insists we need, not "increased production", but "a better distribution".[54] Thus, one aspect of his criticism of capitalism is for its focus on economic growth–it leads to an undesirable form of society which is over-competitive and which pitches people against each other in a struggle to survive, whilst pursuing unworthy goals and ignoring what is really needed for social justice and efficiency.

There is also a second element to Mill's criticisms of capitalism on the grounds of its relentless pursuit of growth, which might be thought of as proto-environmentalist concerns.[55] Mill writes passionately and eloquently about the paucity of a world with "nothing left to the spontaneous activity of nature; with every rood of land brought into cultivation, which is capable of growing food for human beings; every flowery waste or natural pasture ploughed up, all quadrupeds or birds which are not domesticated for man's use exterminated as his rivals for food, every hedgerow or superfluous tree rooted out, and scarcely a place left where a wild shrub or flower could grow without being eradicated as a weed in the name of improved agriculture."[56] Capitalism's relentless pursuit of growth could lead to this non-diverse landscape, and this is another reason Mill criticizes it.[57]

## Mill's Analysis of Capitalism on the Grounds of Social Harmony and the Social Ethos

As already mentioned, Mill disliked the "trampling, crushing [and] elbowing" of people by their fellow-men that he believed capitalism, with its relentless pursuit of growth, entailed.[58] This also speaks to Mill's critique of capitalism on the grounds of its negative impact on social harmony (indeed, its rendering social harmony impossible); and its encouragement of selfishness, class-struggle and class-antagonism.[59] Mill disparages the competitive, selfish egoism which capitalism both lauds and creates, seeking to heal the divisions of contemporary society through

an end not just to class warfare, but to classes themselves; the adoption of a new social ethos inspired by a "Religion of Humanity"; the embrace of the public good by all as not just good political policy (though it would be that) but as a motivating inspiration for their actions and goals; and a friendliness in what remained of commercial relationships between co-operatives.[60]

It is also worth noting in this context Mill's conception of history as moving between "organic" and "critical" ages, which was explained above. Although knowing the contemporary "critical" age in which he lived to be vital for human progress, Mill disliked certain aspects of all critical ages, and desired the harmonious aspects of an organic age (though not the potentially stultifying ones).[61]

## Mill's Suggestions for Improving Capitalism

It should be clear from the fore-going discussion that Mill had criticisms both of capitalism as it contemporaneously existed, and of capitalism *per se*. We might, however, improve the current system of capitalism–and if we were to, the problems with communism would no longer clearly be "as dust in the balance".[62]

These improvements to capitalism would include stricter controls on inheritance (though not on what one might bequeath)–a proposal with its roots in Mill's philosophical-radicalism–such that no one could inherit any more than would keep themselves (and only themselves–not a wife and children) without their having to work.[63] They would include profit-sharing schemes such as those described in detail in *Principles*, which in-themselves would do something to heal class antagonism and improve inter-class relationships, as well as improving productivity.[64] They would involve reforms to tariffs, taxes and systems of inherited privilege and nepotism, as well as political reforms (including representative government elected by universal suffrage), implementation of the "harm principle" as the basis for government interference in individual liberty; national provision of education free for those whose parents could not otherwise afford it; and public health initiatives.[65] The intention regarding private property would be towards equal, widespread and generally small holdings, with inequalities of wealth depending as much as possible on individual talent, effort and choice.[66] There would also be some welfare provision, particularly for those unable to work, balanced against (to modern eyes, at least) fairly draconian laws regarding marriage and concerning the treatment of able-bodied, unemployed people of child-conceiving age, in order to keep the population rate in check.[67] Instead of

the relentless pursuit of growth, we might achieve a happy "stationary state", and cultivate "the Art of Life".[68]

This "perfected" capitalism would look very different to not only Mill's contemporary capitalist society, but our own, which is characterized by vast inequality; ownership of capital concentrated in very few hands; wage-labor; inherited wealth, and economic and social class, dictating to a great degree one's life-chances; and a very unequal distribution of leisure and access to the arts and education (even for those people living in countries where previous governments have implemented some social-democratic policies). (And where, outside of China, at least, we do not have much direct government control of the birth-rate.)

It seems plausible to think that this "perfected" capitalism would be the best Mill thought his contemporary *critical* age could hope to become.[69] It is also easy to believe that Mill would have preferred this to communism, because of communism's potentially negative effects on individuality. It is less plausible, though, to think that this "perfected" capitalism is Mill's "Utopia".

It might be possible to conceive of a capitalism not only with no welfare payments for those who are unemployed but fit for work, but also with no owners of capital (except those who have retired on the proceeds of their previous labor) living off the proceeds from it, but actively working with it (but where there would be no ability to live off inherited capital)–which is one element of Mill's preferred future state.[70] Similarly, one might argue that Mill accepts that private property is under-pinned (though not as it currently exists) by a principle of justice; and one might also think that the "benefits of combined labour" he wishes all to enjoy *might* include wage-laboring.[71]

I think this would be to misread these passages, however, for it is *not* possible to conceive of a form of capitalism in which the division of the product of labor is determined "by concert, on an acknowledged principle of justice"; where there is also "common ownership in the raw material of the globe" which means not only natural resources such as mineral and fuel resources, but land; where some of that "common ownership" is administered by the state, and some through producer- and consumer-cooperatives; where there would be no class system; and where people would be united in a common endeavor for the public, general good, and not motivated by self-interest or narrow, partisan, class, or familial interests. This, instead, looks like socialism.[72]

Moreover, it looks like socialism not merely on Mill's fairly narrow account as provided in *Principles* (communal ownership of the means of production, but not articles of consumption), but on a thicker conception,

where as well as involving communal ownership, we think socialism has to be concerned with the "social"; where action is coordinated across the community to aim at the common good; and where classes (and, therefore, class antagonisms) would be eradicated in favor of social harmony, egalitarianism and respect.[73] Mill's critical re-assessment of capitalism, therefore, led him not only to criticize contemporary forms of capitalism, but to prefer socialism even to a "perfected" capitalism for the forthcoming organic age.

## Mill's Critical Assessment of Capitalism: A Brief Conclusion

Mill, then, though he was well-embedded in classical, *laissez-faire* political economy, was not uncritical of capitalism, and eschewed some of the assumptions–particularly concerning the possibilities of future social improvement and (re)organisation–held by both his predecessors and contemporaries. His changing beliefs led him to criticize both contemporary capitalist institutions and even an ideal form of capitalism on the grounds of liberty and independence; equality and social justice; inefficiency and waste; the relentless pursuit of growth; and social harmony and to develop a form of co-operative socialism which, he hoped, would avoid the problems of both capitalism and currently-developed forms of socialism. In the next section I will turn to the "road" Mill thought we might take to this organic socialist "Utopia."

## Mill's Account of the "Road" to Socialism

Mill briefly sketches a 'road' to socialism near the end of 'On the Probable Futurity…', which he expanded to include discussion of co-operation and a socialist transformation of society in 1852.[74] The working classes, he says, are increasingly unwilling to be kept in positions of dependence, inequality and powerlessness.[75] They are agitating, coming together in political movements, and campaigning publically for radical changes in society, which they will be able to more-easily enforce once they are granted the franchise (as they ought to be).[76] They will demand a more just society, with a more just division of the produce of labor and the benefits of modern industry.[77] As a part of this, they will demand re-organization of industrial relations.[78]

On the other side of the current divide between workers and capitalists, many capitalists are already recognizing that they get more out of their workers, and thereby increase their profits, when they share profits–and

management–with their employees.[79] In time, Mill thinks, all employers will see the wisdom of profit-sharing, and will not be able to get any but the worst, and therefore least-productive and skilled, workers to agree to anything less.[80]

But what Mill views as the best part of the laboring classes–those he praises for courage, resourcefulness, an independent spirit and rigorous self-discipline–are already going well beyond profit-sharing schemes where the means of production are still owned, and almost all decisions still made, by capitalists, into "organisations of the labourers themselves" in (particularly producer-)co-operatives, and it is these kinds of industrial organization which Mill sees as the means of achieving social justice.[81]

Mill was convinced that such co-operatives would prove themselves more efficient, making better quality, cheaper goods and providing so many more benefits to their members in terms of independence, respect, self-respect and justice that everyone who was capable of joining or forming one would do so.[82] Cooperatives would get rid of the need for middle-men (particularly in distribution).[83] They would be democratically-run, and divide the surplus of their labor according to principles of justice agreed upon by all members (male and female).[84] If people did not like the co-operative for which they worked, they could join another one, or set up their own, once they had saved the requisite capital–they could not take their capital out of a co-op once they had joined, and if the co-op was disbanded (when, for instance, everyone wished to retire), the accumulated joint capital would have to be given to charitable causes.[85] Thus, by slow degrees, the market would be transformed.[86] True, the cooperatives would compete amongst each other, thus helping increase efficiency and the development of new technologies and production-methods, but there would be no competition in the labor-market, and therefore less strife amongst men, and the cooperatives might well not trade at a profit, but at cost price (though Mill acknowledges this might be hard to determine).[87] The kind of competition he foresees still existing is not the "trampling, crushing [and] elbowing" of contemporary life, but "[a] contest, who can do most for the common good".[88]

In this state of things, capitalists (Mill is still thinking of relatively small-scale personal holdings of capital) will see that they will get a better return for their investment by investing in cooperatives than in wage-paying industrial concerns (Mill was always insistent that capital deserved a reasonable return when lent, as it represented the past prudence of its owner), and, eventually, they might even exchange their capital for an annuity.[89] In this way, he writes, "the existing accumulation of capital might honestly, and by a kind of spontaneous process, become in the end

the joint property of all who participate in their productive employment: a transformation which, thus effected, (and assuming of course that both sexes participate equally in the rights and in the government of the association) would be the nearest approach to social justice, and the most beneficial ordering of industrial affairs for the university good, which it is possible at present to foresee".[90]

Alongside this "spontaneous" transformation of private ownership of most of the means of production, there would have to be some state action, for Mill also desired the state-ownership (on the part of the people) of land and natural resources, as well as state (either through national or local government) provision of goods and services which tended to monopoly, thus allowing everyone to share the benefit of monopoly profits–for example, utilities, street-lighting, public health, education (though not exclusively) and railways.[91] Property-owners, Mill argued, must be fairly compensated for the loss of property it was not illegal to them have owned at the time, but the fact that people *did* now have private property rights over, for instance, land, was not enough reason to prevent those rights being changed, and even denied, by government.[92] After all, property rights are part of the laws of distribution, and these are human constructions–and, as such, can be legitimately re-constructed by humans.[93] There would also have to be legislation regarding inheritance, for Mill continued to favor limits to intergenerational bequests to no more than a "moderate independence", whatever the express wishes of the testator–though, of course, the problem of inheritance (or at least the inheritance of large amount of wealth, leading to great inequality) would in any case be partly solved by nationalization of land, and by capitalists exchanging their capital for an annuity, and thus having none to leave to their children.[94]

As well as this, first and foremost, there would have to be a change in education (broadly understood), and the resultant change in human nature, which would make any of this possible and sustainable.[95] However, Mill evidently thought that participation in cooperatives, in profit-sharing schemes, and in national and local democratic proceedings all counted as a vital part of the necessary education.[96] People might also be helped along by social structures such as a "Religion of Humanity", which would help shape the requisite social ethos, as well as a tolerant concern for each other's welfare as advocated in *Liberty*.[97] The "road" to socialism, therefore, would be built step-by-step by people who became more capable of realizing it the further down the "road" they travelled.

## Conclusion

Mill's adoption of the Saint-Simonian conception of history, coinciding as it did with his loss of faith in the efficacy of philosophical-radical reforms to actually maximize happiness, led Mill to critically reassess contemporary capitalism (of which, of course philosophic-radicalism was not wholly uncritical), to suggest improvements to it, and to transcend even this "perfected" capitalism such that the forth-coming "organic" age, if it managed to achieve his "Utopia", would be a form of socialism. This was something he not only thought desirable, but also at least possible, if not probable (and *Principles* and the *Autobiography* suggest Mill *did* think the future would be a socialist one, even if it was not going to be precisely his preferred form of socialism).[98] He criticized capitalism on the grounds of liberty and independence; equality and social justice; inefficiency and waste; relentless pursuit of growth; and social harmony and social ethos. Some of these criticisms might be overcome through "perfecting" capitalism–but many and, arguably, the most important, such as injustice, inequality, inefficiency, waste, the social ethos, and social harmony–could not be *wholly* remedied within a capitalist framework. Thus, Mill preferred a form of socialism for future society, which there has not been the space to fully describe here, though key institutions, at least, have been sketched. He foresaw the change to the socialist future (whether *identical* to his preferred form, or not) as being both possible and probable via a "road" of gradual, peaceful, organic, grass-roots led, democratic, piece-meal change, which would in itself provide the necessary education to make such a change not only possible but sustainable.

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## Notes

[1] John Stuart Mill, *Principles of Political Economy*, *Collected Works* II and III (Toronto: University of Toronto Press, 1965), pp.203-214 and 758-96.
[2] Mill, *Principles*, pp.203-214.
[3] *Ibid*., pp.753-971.